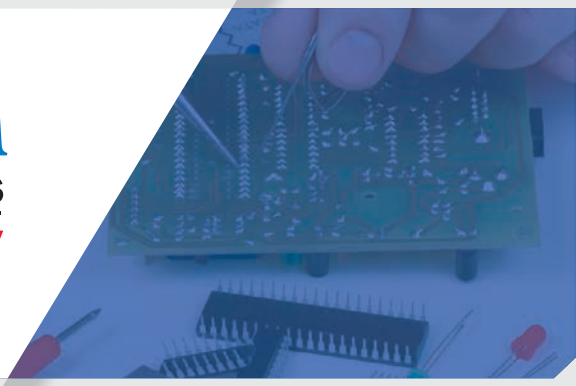
CEREBRA

Total I.T. Solutions

An ISO 9001 : 2008 Company

www.cerebracomputers.com



22nd ANNUAL REPORT 2015-16

Cerebra Integrated Technologies Limited

BOARD OF DIRECTORS

V. Ranganathan	-	Managing Director
Shridhar S. Hegde	-	Whole-Time Director
P. Vishwamurthy	-	Whole-TimeDirector
Preethi Javali	-	Non-Executive Director
T. S. Suresh Kumar	-	Independent Director
P. E. Krishnan	-	Independent Director
S. Gopalakrishnan	-	Independent Director

Company Secretary and Compliance Officer
Nutan Soudagar

REGISTERED OFFICE AND FACTORY

#S-5, Off 3rd Cross, I Stage
Peenya Industrial Area
Bangalore - 560 058
Tel: 91 - 80 - 22046969
Fax: 91 - 80 - 22046980
Web: www.cerebracomputers.com
Email: info@cerebracomputers.com
investors@cerebracomputers.com

SUBSIDIARY COMPANIES

The Company has following Subsidiaries:
1. Cerebra LPO India Limited.
2. Cerebra Middle East FZCO, Dubai, UAE.
3. Cerebra E Waste Recovery PTE Limited, Singapore*

*Upon Strike off. ceased to be a Subsidiary Company with effect from 6th June, 2016

STATUTORY AUDITORS

Messrs Ishwar & Gopal
Chartered Accountants
Sri Vinayaka Motor Service Building
No, 21/3,T.S.P.Road,Kalasipalyam
Bangalore – 560 002

SECRETARIAL AUDITOR

Parameshwar G Bhat
Practising Company Secretary
Bangalore

INTERNAL AUDITORS

Murugendrappa & Co.
Chartered Accountants
Bangalore

REGISTRARS & SHARE TRANSFER AGENTS

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot number 31 & 32,
Financial District, Nanakramguda, Serilingampally Mandal
Hyderabad - 500032, India
Phone: 040 - 91 40-67161564 Fax 9140-23420814
Email: shobha.anand@karvy.com

BANKERS

Bank of India

ENLISTMENTS

BSE Limited
National Stock Exchange of India Limited (NSE)

DEPOSITORIES

National Securities Depository Limited
Central Depository Services Limited

FROM THE DESK OF MANAGING DIRECTOR

Dear Stakeholder,

Greetings from the Management of Cerebra.

It is again that time of the year when we get an opportunity to brief you all on the exciting times ahead in your Company's history. We have now entered our 25th year and from a small fledging Company in 1992 it has now become a strong and profitable enterprise with a global reach.

During the year your Company achieved a consolidated turnover of Rs. 24192.73 Lakhs with a profit of Rs. 165.23 Lakhs. I am sure this year your Company will do very well both in terms of the topline and the bottom line and am looking at E-waste being a major contributor to this.

Your Company's E-waste factory is being completed and hopefully it should be up and running before the end of this calendar year. There were a few issues with the Govt. of Karnataka regarding the acquisition of the land and with a lot of efforts all that has been sorted out and very soon you all will be proud owners of a large E-waste factory. We are also planning to shift the SMT division to Narsapura and add two more lines to expand that business. That business is doing very well and is also very profitable.

We have shifted our corporate office to the Registered Office with addition of two more floors to accommodate all people.

Our Middle East Subsidiary has grown by leaps and bounds with addition of more partners to cover the entire MENA region and also by adding more vendors to our porfolio. More on this in the Board's report covered by Mr. Asit Ahuja, CEO, Cerebra ME.

We have launched our own brand of Storage servers and will soon start marketing it aggressively. This is supporting the make in India program and am confident that these products will be accepted very well by the market. We will soon add a few more products to this division which will all be manufactured by us at Narsapura.

We take this opportunity to thank you all, employees, partners, vendors, bankers and the Government of Karnataka and the Government of India for their continued support.

With Warm Regards,

V. Ranganathan
Managing Director
DIN : 01247305

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

CIN: L85110KA1993PLC015091
Regd. Off.: # S-5, off 3rd Cross, 1st Stage, Peenya Industrial Area, Bangalore - 560 058
Telephone: 91 - 80 - 22046969 Email: investors@cerebracomputers.com
Web: www.cerebracomputers.com

NOTICE

NOTICE is hereby given that the Twenty Second Annual General Meeting of the Company will be held on Friday, 16th September, 2016 at 11:00 A.M. at Bharatiya Vidya Bhavan, Race Course Road, Bangalore - 560 001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company including Audited Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss of the Company for the year ended as on that date together with the Auditors' Report thereon and the Board's Report including Secretarial Audit Report.
2. To appoint a Director in place of Ms. Preeti Javali (holding DIN: 07157145), who retires by rotation and is eligible for re-appointment.
3. To ratify the appointment of Statutory Auditors of the Company:

   To consider, and if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of Messrs Ishwar & Gopal, Chartered Accountants, registered with Institute of Chartered Accountants of India (ICAI) under the Firm Registration No. 001154S as the Statutory Auditors of the Company for the financial year ending 31st March, 2020 who were appointed as Auditors of the Company in the 21st Annual General Meeting (AGM) held on 29th September, 2015 to hold office until the conclusion of 26th AGM on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to applicable taxes and re-imbursement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company."

SPECIAL BUSINESS:

4. Re-appointment of Mr. V Ranganathan as Managing Director and ratification of remuneration:

   To consider, and if thought fit, to pass, the following resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 2(54), 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as "the Act"), read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as may be applicable (including any Statutory modification or re-enactment thereof for the time being in force) and subject to the approval of the Central Government as may be required, approval of the members be and is hereby accorded to appoint Mr. V Ranganathan (holding DIN: 01247305), as Managing Director of the Company for a period of three (3) years with effect from 1st January, 2015 to 31st December, 2017.

   RESOLVED FURTHER THAT remuneration payable to Mr. V Ranganathan, Managing Director of the Company till 31st March, 2016 is as per the existing terms and conditions and his revised remuneration w.e.f. 1st April, 2016 till 31st December, 2017 is on the following terms and conditions as mentioned below:

Remuneration:

i. Rs. 2,00,000/- per month

ii. Conveyance Allowance

He will be eligible for reimbursement towards fuel and car maintenance expenses at actuals, on production of bills. He and his family will be eligible for the health insurance. He shall not be entitled for any other allowances or benefits, other than mentioned above.

Leave Facilities:

He will be provided with 21 days of leave and 5 days of casual leave during the tenure. Unutilized shall not be eligible for carry forward or for encashment.

Other Benefits:

Apart from the aforesaid remuneration, the Managing Director shall be entitled to reimbursement of expenses incurred in connection with the business of the Company.

The Managing Director shall not be paid any sitting fees for attending meetings of the Board of Directors or Committee thereof.

Minimum Remuneration:

Notwithstanding anything to the contrary herein, where in any financial year during the currency of tenure of the Managing Director, the Company has no profits or its profits are inadequate, the above remuneration payable by way of salary and perquisites shall be deemed as minimum remuneration but however subject to the approval of the Central Government and/ or limits laid down under Schedule V of the Companies Act, 2013 including any statutory modification or re-enactment thereof as may be for the time being be in force.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary, alter or modify the terms and conditions including remuneration as may be directed by the Central Government and as may be agreed to by the Board of Directors and Mr. V Ranganathan.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company."

5. Re-appointment of Mr. Shridhar S Hegde as Whole Time Director and ratification of remuneration:

To consider, and if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 2(94), 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as "the Act"), read with Schedule V of the Act and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as may be applicable (including any Statutory modification or re-enactment thereof for the time being in force) and subject to the approval of the Central Government as may be required, approval of the members be and is hereby accorded to appoint Mr. Shridhar S Hegde (holding DIN: 01247342), as Whole Time Director of the Company for a period of three (3) years with effect from 1st January, 2015 to 31st December, 2017.

RESOLVED FURTHER THAT remuneration payable to Mr. Shridhar S Hegde, Whole Time Director of the Company till 31st March, 2016 is as per the existing terms and conditions and his revised remuneration w.e.f. 1st April, 2016 till 31st December, 2017 is on the following terms and conditions as mentioned below:

Remuneration:

i. Rs. 2,00,000/- per month

ii. Conveyance Allowance

He will be eligible for reimbursement towards fuel and car maintenance expenses at actuals, on production of bills. He and his family will be eligible for the health insurance. He shall not be entitled for any other allowances or benefits, other than mentioned above.

Leave Facilities:

He will be provided with 21 days of leave and 5 days of casual leave during the tenure. Unutilized shall not be eligible for carry forward or for encashment.

Other Benefits:

Apart from the aforesaid remuneration, the Whole Time Director shall be entitled to reimbursement of expenses incurred in connection with the business of the Company.

The Whole Time Director shall not be paid any sitting fees for attending meetings of the Board of Directors or Committee thereof.

Minimum Remuneration:

Notwithstanding anything to the contrary herein where in any financial year during the currency of tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the above remuneration payable by way of salary and perquisites shall be deemed as Minimum Remuneration but however subject to the approval of the Central Government and/ or limits laid down under Schedule V of the Companies Act, 2013 including any Statutory modification or re-enactment thereof as may be for the time being be in force.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary, alter or modify the terms and conditions including remuneration as may be directed by the Central Government and as may be agreed to by the Board of Directors and Mr. Shridhar S Hegde.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company."

6. Re-appointment of Mr. P. Vishwamurthy as Whole Time Director and ratification of remuneration:

To consider, and if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 2(94), 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as "the Act"), read with Schedule V of the Act of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as may be applicable (including any Statutory modification or re-enactment thereof for the time being in force) and subject to the approval of the Central Government as may be required, approval of the members be and is hereby accorded to appoint Mr. P. Vishwamurthy (holding DIN: 01247336), as Whole Time Director of the Company for a period of three (3) years with effect from 1st January, 2015 to 31st December, 2017.

RESOLVED FURTHER THAT remuneration payable to Mr. P. Vishwamurthy, Whole Time Director of the Company till 31st March, 2016 is as per the existing terms and conditions and his revised remuneration w.e.f. 1st April, 2016 till 31st December, 2017 is on the following terms and conditions as mentioned below:

Remuneration:

i. Rs. 2,00,000/- per month

ii. Conveyance Allowance

He will be eligible for reimbursement towards fuel and car maintenance expenses at actuals, on production of bills. He and his family will be eligible for the health insurance. He shall not be entitled for any other allowances or benefits, other than mentioned above.

Leave Facilities:

He will be provided with 21 days of leave and 5 days of casual leave during the Tenure. Unutilized shall not be eligible for carry forward or for encashment.

Other Benefits:

Apart from the aforesaid remuneration, the Whole Time Director shall be entitled to reimbursement of expenses incurred in connection with the business of the Company.

The Whole Time Director shall not be paid any sitting fees for attending meetings of the Board of Directors or Committee thereof.

Minimum Remuneration:

Notwithstanding anything to the contrary herein where in any financial year during the currency of tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the above remuneration payable by way of salary and perquisites shall be deemed as Minimum Remuneration but however subject to the approval of the Central Government and/ or limits laid down under Schedule V of the Companies Act, 2013 including any Statutory modification or re-enactment thereof as may be for the time being be in force.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary, alter or modify the terms and conditions including remuneration as may be directed by the Central Government and as may be agreed to by the Board of Directors and Mr. P. Vishwamurthy.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company."

For and on behalf of Cerebra Integrated Technologies Limited

Place : Bangalore
Date : 13th August, 2016

Shridhar S Hegde
Wholetime Director
DIN: 01247342

NOTES:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to vote instead of himself/herself and the proxy appointed need not be a member. The duly filled in proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the Meeting.

2. Explanatory Statement as per Section 102 of the Companies Act, 2013 is attached hereto.

3. For convenience of the Members and for proper conduct of the Meeting, entry to the place of Meeting will be regulated by an Attendance Slip, which is forwarded as detachable part of Annual Report. Members are requested to affix their signature at the place provided in the Attendance Slip and hand it over at the entrance.

4. Members, who hold shares in dematerialized form, are requested to bring in their Client ID and DP ID nos. for easier identification of attendance at the meeting and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.

5. A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his/her queries to the Company at least 7 days prior to the meeting, so that, the required information can be made available at the meeting.

6. Members holding shares in physical form are requested to notify immediately any change in their address to the Company's Registrar and Transfer Agent, Karvy Computershare Private Limited. Members holding shares in electronic form may intimate any such changes to their respective Depository Participants (DPs).

7. Members holding more than one share certificate in different folios are requested to kindly apply for consolidation of the folios and send the relative share certificates to the Company's Registrar and Share Transfer Agent.

   Karvy Computershare Private Limited
   Karvy Selenium Tower B, Plot number 31 & 32
   Financial Distric, Nanakramguda, Serilingampally Mandal
   Hyderabad - 500 032, India
   Phone: 040 - 91 40-67161564 Fax 9140-23420814
   Email: shobha.anand@karvy.com

8. Listing fee has been paid to the BSE Limited and National Stock Exchange of India Limited (NSE) up to date and the Company has already made delisting applications to Kolkata Stock Exchange and Ahmedabad Stock Exchange.

9. The Company's Shares are traded in electronic form with ISIN No. INE345B01019.

10. The Register of Members and the Share Transfer Books will remain closed on 16th September, 2016 in connection with the Annual General Meeting.

11. Members are kindly requested to bring Annual Report 2015-16 along with them to the Annual General Meeting, since extra copies will not be supplied at the Meeting.

12. To support the 'Green Initiative', the Members who have not registered their e-mail address are requested to register the same with Integrated Enterprises (India) Limited /Depositories.

    As regards to re-appointment of Ms. Preeti Javali (holding DIN: 07157145) referred to, in item No.2 of the notice, the following necessary disclosures are made for the information of the Shareholders:

Particulars	**Details**
Name	Ms. Preeti Javali
Date of Birth	27th November, 1973
Date of Appointment	31st March, 2015
Qualifications	M.A.
Expertise in specific functional area	Literature & Kannada Cultural Activities
Directorships held in other Companies (excluding foreign companies)	Nil
Membership/Chairmanships of Committees of other public companies (included only Audit and Shareholders/ Investors Grievance Committee)	Nil
No. of Board Meetings attended during the year	4

13. Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 22nd Annual General Meeting to be held on Friday, 16th September, 2016 at 11:00 A.M. at Bharatiya Vidya Bhavan, Race Course Road, Bangalore - 560 001. The Company has engaged the services of Karvy Computershare Private Limited to provide the e-voting facility.

The instructions for E-voting are as under:

i. To use the following URL for e-voting:

https://evoting.karvy.com

ii. Enter the login credentials (i,e., User ID and password mentioned below). Event No. followed by Folio No. / DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

iii. After entering the details appropriately, click on LOGIN.

iv. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the EVENT i.e., Cerebra Integrated Technologies Limited.

vii. On the voting page, the number of shares as held by the shareholder as on the Cut-off Date will appear. If you desire to cast all the votes assenting/dissenting to the Resolution then enter all shares and click "FOR" / Against as the case may be. You are not required to cast all your votes in the same manner. You may also choose the option ABSTAIN in case you wish to abstain from voting.

viii. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.

ix. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution.

x. Institutional Shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail parameshwar@vjkt.in or scrutinizer@cerebracomputers.com.

xi. Once you have cast your vote on a resolution you will not be allowed to modify it subsequently.

xii. The Portal will remain open for voting from: Monday the 12th September, 2016 (9:00 A.M.) and ends on Thursday the 15th September, 2016 (5:00 P.M.).

xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting User Manual for Shareholders available at the download section of https://evoting.karvy.com or contact Mrs. Shobha Anand of Karvy Computershare Private Limited at 040-67162222 or at Tel No. 1800 345 4001 (toll free).

xiv. It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

In case a Member receives physical copy of the Annual General Meeting Notice by Post [for Members whose email IDs are not registered with the Company / Depository Participants]:

(i) User ID and initial password as provided overleaf.

(ii) Please follow all steps from Sr. No. (1) to (12) as mentioned in above, to cast your vote.

xv. The results of e-voting will be announced by the Company in its website and also informed to the Stock Exchanges.

E-voting Details

EVENT	User ID	Password

Kindly note that once you have cast your vote you cannot modify or vote on poll at the Annual General Meeting. However, you can attend the meeting and participate in the discussions, if any.

xvi. The voting period begins on Monday the 12th September, 2016 (9:00 A.M.) and ends on Thursday the 15th September, 2016 (5:00 P.M.). During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 12th August, 2016, may cast their votes electronically. The e-voting module shall be disabled by Karvy for voting thereafter once the vote on resolutions is cast by the Shareholder, the Shareholder shall not be allowed to change it subsequently.

xvii. The voting rights of the Shareholders shall be in proportion to their Shares of the Paid-up equity Share Capital of the Company as on the cut-off date of 12th August, 2016.

xviii. Mr. Parameshwar G. Bhat, Practising Company Secretary, Bangalore has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

xix. The Scrutinizer shall within a period of not exceeding Forty Eight (48) hours from the conclusion of the-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to Managing Director or designated Director of the Company.

xx. The results of Annual General Meeting shall be declared within Forty Eight hours (48) from the conclusion of the Annual General Meeting. The e-voting along with the Scrutinizer's Report shall be placed on the Company's website (www.cerebracomputers.com) and on the website of Karvy. The results will also be communicated to the Stock Exchanges where the Shares of the Company are listed.

xxi. Further, members may note the following:

a. Remote e-voting shall not be allowed beyond the said date and time.

b. The Company is providing facility to vote on a poll to the members present at the meeting.

c. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.

d. A person whose name is recorded in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting in the General Meeting.

xxii. The Shares of the Company are compulsorily traded in electronic form. The Members are requested to forward all applications for transfer and all other shares related correspondence, including intimation for change of address, if any, to the Registrars and Transfer Agent of the Company at the following address:

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot number 31 & 32
Financial District, Nanakramguda, Serilingampally Mandal
Hyderabad - 500 032, India
Phone: 040 - 91 40-67161564 Fax 9140-23420814
Email: shobha.anand@karvy.com

xxiii. Pursuant to SEBI notification no. MED/DOP/ Circular/05/2009 dated May 20, 2009, it has become mandatory for the transferee(s) to furnish copy of PAN Card to the Company/RTA to enable/effect transfer of Shares in physical form.

For and on behalf of Cerebra Integrated Technologies Limited

Place : Bangalore
Date : 13th August, 2016

Shridhar S Hegde
Wholetime Director
DIN: 01247342

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 4:

Mr. V Ranganathan holds an Engineering degree from Bangalore University and has 30 years of experience in the Electronics and IT Industry and as Managing Director in the Company for 24 years. Mr. V Ranganathan is associated with the Company as a Promoter since inception and has been responsible for bringing the Company to this level.

It is proposed to re-appoint Mr. V Ranganathan as Managing Director of the Company on such terms and conditions as mentioned in the aforesaid Resolution.

Based on the recommendation of the Nomination and Remuneration Committee and the justifications, the Board recommends the Resolution for your approval.

Except Mr. V Ranganathan, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, in the said Resolution.

Following are the information pertaining to Managing Director seeking re-appointment at the 22nd Annual General Meeting as required by Regulation 36(3) of the SEBI (LODR) Regulations, 2015:

Name	Mr. V Ranganathan
Date of Birth	12th November, 1963
Date of Appointment	25th July, 1992
Qualifications	B.E.
Expertise in specific functional area	Electrical and Electronics
Directorships held in other Public Companies (excluding foreign companies)	Cerebra LPO India Limited
Membership / Chairmanships of Committees of other public companies (included only Audit and Shareholders / Investors Grievance Committee)	NIL

ITEM NO. 5:

Mr. Shridhar S. Hegde holds a Graduation degree from Bangalore University and has 35 years of experience in Marketing and as Director Marketing in the Company for 23 years. He has been responsible for Finance and administration works of the Company.

It is proposed to re-appoint Mr. Shridhar S Hegde as Whole Time Director of the Company on such terms and conditions as mentioned in the aforesaid Resolution.

Based on the recommendation of the Nomination and Remuneration Committee and the justifications, the Board recommends the Resolution for your approval.

Except Mr. Shridhar S Hegde, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the said Resolution.

Following are the information pertaining to Whole Time Director seeking re-appointment at the 22nd Annual General Meeting as required by Regulation 36(3) of the SEBI (LODR) Regulations, 2015:

Name	Mr. Shridhar S Hegde
Date of Birth	27th January, 1961
Date of Appointment	18th July, 1996
Qualifications	B.Sc.
Expertise in specific functional area	Finance
Directorships held in other Public Companies (excluding foreign companies)	Cerebra LPO India Limited
Membership / Chairmanships of Committees of other public companies (included only Audit and Shareholders / Investors Grievance Committee)	NIL

ITEM NO. 6:

Mr. P. Vishwamurthy holds Engineering degree from Mysore University and has 20 years of experience in IT Industry. Mr. P. Vishwamurthy has been responsible for ITES Business of the Company

It is proposed to re-appoint Mr. P. Vishwamurthy as Whole Time Director of the Company on terms and conditions as mentioned in the aforesaid Resolution.

Based on the recommendation of the Nomination and Remuneration Committee and the justifications, the Board recommends the Resolution for your approval.

Except Mr. P. Vishwamurthy, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the said resolution.

Following are the information pertaining to Whole Time Director seeking re-appointment at the 22nd Annual General Meeting as required by Regulation 36(3) of the SEBI (LODR) Regulations, 2015:

Name	Mr. P. Vishwamurthy
Date of Birth	3rd May, 1967
Date of Appointment	18th July 1996
Qualifications	B.E.
Expertise in specific functional area	Software & ITes
Directorships held in other Public Companies (excluding foreign companies)	Cerebra LPO India Limited
Membership / Chairmanships of Committees of other public companies (included only Audit and Shareholders / Investors Grievance Committee)	NIL

For and on behalf of Cerebra Integrated Technologies Limited

Place : Bangalore
Date : 13th August, 2016

Shridhar S Hegde
Wholetime Director
DIN: 01247342

BOARD'S REPORT

To the Members,

The Directors have pleasure in presenting before you the Annual Report of the Company together with the Audited Statements of Accounts for the 22nd year ended 31st March, 2016.

CONSOLIDATED FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATEOF AFFARIS:

(Rs. in Lakhs)

Particulars	2015-16	2014-15
Gross Income	24192.73	26767.13
Profit Before Interest and Depreciation	600.97	677.00
Finance Charges	252.66	309.05
Gross Profit	348.31	367.52
Provision for Depreciation	51.46	106.06
Profit before exceptional and extraordinary items and tax	296.85	261.45
Exceptional Items-Loss on disinvestment in subsidiary	100.22	0.00
Provision for Tax	33.22	30.08
Net Profit After Tax	163.40	231.37
Minority Interest	-1.83	43.27
Balance of Profit brought forward	165.23	188.10
Proposed Dividend on Equity Shares	0.00	0.00
Tax on proposed Dividend	0.00	0.00

1) PERFORMANCE OF THE COMPANY:

The key components of the hardware industry are servers, desktop, notebook and tablet computers, storage devices, peripherals, printers and networking equipment. According to the NASSCOM Report, the hardware segment of the IT Business Process Management ("IT-BPM") market in India is estimated to be $13 billion in fiscal year 2016 or 25% of the Indian IT-BPM industry including e-commerce. According to the NASSCOM report, the size of the hardware market in India has been stagnant at $13 billion for the last two years. Emergence of cloud computing technologies is affecting demand for IT products like servers.

In order to offer comprehensive IT system integration solutions, your Company uses a combination of hardware products (including servers, computing, storage, networking, security), related software products (including databases and operating systems) and integration services. Your Company continues to maintain a presence in the hardware market by providing suitable third-party brands as a part of our solutions in large integrated deals. Your Company's range of third-party IT Products is comprised of Enterprise Platforms, Networking Solutions, Software Products, Data Storage, Enterprise Security and End-User Computing solutions. Your Company provides offerings to enterprises in all major industries, primarily in the India and Middle East markets, including government, defence, IT and IT-enabled services, telecommunications, manufacturing, utilities, educational and financial services sectors.

Lines of Business

System Integration - Enterprise Solutions Division

Cerebra has been since many years implementing various IT based projects for many startups, Government agencies and established companies. We study customers IT requirements, identify pain points and accordingly design and plan their IT Hardware and Software infrastructure which includes security, networking, servers, storage, endpoints, operating systems, application software and ensure successful implementation for optimal performance.

Many small and medium size enterprises lack proper IT infrastructure and rely more on AMC providers for their IT requirements which get fulfilled on a short term basis mainly because the AMC companies lack the technical skills as well as the vision to design IT infrastructure based on growth plans. In addition, many more companies are looking to completely outsource their IT resources for day to day operations and maintenance. Cerebra can successfully help bridge this gap with its technical competencies and strategic tie-ups with leading MNC technology vendors such as Oracle, IBM, Dell, HP, Cisco, EMC, Fujitsu, Intel, Brocade, Fortinet, Extreme Networks, Lenovo, Samsung, Lexmark, Xerox, Radware, Array Networks, VMware, RHEL, Microsoft etc to name a few. Cerebra can design, supply, implement and maintain IT infrastructure for SMEs as well as large enterprises successfully.

Our continued focus on research labs, airports, defense, PSUs, PSBs, etc has been fruitful with Cerebra successfully executing large orders from Bangalore International Airport, Hindustan Aeronautics Limited, Bharat Electronics Limited, Centre for Development of Advanced Computing, Union Bank of India, High Court of Karnataka, Indian Institute of Management, Decathlon, Centre for Airborne Systems, Defense Avionics Research Establishment, ISRO, Transport Department - Govt. of Karnataka, Karnataka Power Corporation, BESCOM, etc. to name a few. We have also been successful in the higher education segment both in government as well as private institutions. In addition Cerebra has been adding new corporate customers in the ITeS, retail, manufacturing & healthcare segments. We are considered as a preferred vendor by many of these organizations. Cerebra has also strengthened its relationships with leading MNC OEM Brands and established itself as a key player especially in education, healthcare, defense, space and research lab and segments while we stay focused on making a mark in other state & central government departments/ bodies/PSUs and private enterprise companies.

Cerebra has recently been awarded the prestigious project of Automated Driving Test System to fully automate the process of testing and issuance of driving license by the Department of Transport and Road Safety, Government of Karnataka which is valued at Rupees twenty two crores. Cerebra will setup the infrastructure, run and maintain the same for a period of 5 years at six RTOs in Karnataka and the same will be extended to a further three RTOs. With this experience, Cerebra is exploring similar opportunities in other states.

With an added focus on services business such as AMC, FMS, Implementation and other value added services we have successfully added many prestigious customers where we are providing FMS and CAMC services and renewals both in the government as well as corporate segments. This has enabled us to also identify new business opportunities and make a fairly sizeable contribution to Cerebra's revenues. With incremental focus and engagement in network security as well as surveillance opportunities we are looking to further strengthen our offerings.

By announcing private label products such as servers and storage offerings, we are aiming to address many more opportunities pan India which will help establish both the brand as well as Cerebra as a serious and reliable vendor. Cerebra has recently tied up with EchostreamsInc, USA for manufacturing servers and storage for both the Indian as well as the Middle East and North African markets looking to cater to application specific hardware as well as for surveillance opportunities. Cerebra will soon roll out its own brand of Servers and Storage to address requirements across verticals.

Industry Structure and developments

The industry structure comprises of the MNC OEMs, global system integrators, local system integrators, dealers and traders who either directly cater to end customers or through their respective partners. The MNC OEMs have drastically cut down on direct transactions with end customers over the last couple of years. The global system integrators such as TCS, MT, Wipro, Infosys, Accentureetc are primarily into execution of very large government projects. The tier two or the local system integrators cater to both the government as well as corporate requirements. These are transactions which are a mix of small, midsized and semi large projects. The dealers and traders are mainly into reselling.

E-WASTE NEW PLANT RELATED ASPECTS

E-Waste new plant construction is going on in full swing and the Plant and Machinery is ready for shipment. We have started recruiting for this division and also for the Repair and refurbishment division as this will be the first step after collection of e-waste. The new plant will house the entire e-waste recycling plant comprising of shredders, separation and segregation and refining.

The structure will be prefabricated so as to save on time for completing the construction. The plant is planned to have enough space for collection, storage, segregation, repair and refurbishment, warehouses for incoming and processed material separately, refining process and laboratory.

2) MATERIAL CHANGES AND COMMITMENTS:

There were no material changes and commitments which occurred, affecting the financial position of the Company between March 31, 2016 and the date on which this report has been signed.

3) CHANGE IN THE NATURE OF BUSINESS:

The Company continues to focus on the strength of ESD, EMS and E-Waste in addition the Company will be focusing on the High End Servers, Large Data Storage etc.

4) DIVIDEND:

With the view to conserve the resources of Company the Directors are not recommending any dividend.

5) AMOUNTS TRANSFERRED TO RESERVES:

The Board of the Company has decided/proposed to carry Rs. 99,75,256/- to its reserves.

6) CHANGES IN SHARE CAPITAL:

During the financial year 2015-16, there were no changes in the Authorised Share Capital of the Company. However, the paid up Share Capital of the Company has been increased from Rs. 84,32,89,620/- (Eighty Four Crores Thirty Two Lakhs Eighty Nine Thousands Six Hundred and Twenty only)) 8,43,28,962 (Eight Crores Forty Three Lakhs Twenty Eight Thousand Nine Hundred and Sixty Two) Equity Shares of Rs. 10/- (Rupees Ten only) to Rs. 96,40,77,220/- (Ninety six Crores Forty Lakhs Seventy Seven Thousands Two Hundred and Twenty only) divided into 9,64,07,722 (Nine Crores Sixty four Lakhs Seven Thousand Seven Hundred and Twenty Two) Equity Shares of Rs. 10/- (Rupees Ten only) pursuant to allotment of 1,20,78,760 Equity Shares of Rs. 10/- (Rupees Ten only) each, a premium of Rs. 0.50 (Fifty paisa only) upon conversion of FCCBs on 14th November, 2015.

Disclosure regarding Issue of Equity Shares with Differential Rights

During the year under review the Company has not issued Shares with Differential Rights

Disclosure regarding issue of Employee Stock Options:

During the year under review the Company has not issued Shares Employee Stock Options.

Disclosure regarding issue of Sweat Equity Shares:

During the year under review the Company has not issued Sweat Equity Shares.

7) CAPITAL INVESTMENTS

Capital Investments during the financial year 2015-16 was at Rs. 2,817.84 Lakhs (Net of capital work-in-progress and capital advances) (2014-15: Rs. 3,113.88 Lakhs).

8) BOARD MEETINGS:

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. Additional Meetings of the Board of Directors are held when necessary. During the year under review Four (4) Meetings were held on 30th May 2015, 14th August 2015, 14th November 2015 and 13th February 2016.

The Agenda of the Meeting is circulated to the Directors in advance. Minutes of the Meetings of the Board of Directors are circulated amongst the Members of the Board for their perusal.

The details of other Committee Meetings during the Financial year 2015-16 are given in the Corporate Governance Report.

9) DIRECTORS AND KEY MANANGERIAL PERSONNEL:

In terms of the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Preeti Javali (holding DIN: 07157145) Director, retires by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment.

Based on the recommendations of the Nomination and Remuneration Committee, re-appointment of Mr. V Ranganathan as Managing Director, Mr. Shridhar S Hegde and Mr. P Vishwamurthy as Whole Time Directors of the Company may be considered by the Shareholders at the ensuing Annual General Meeting.

10) DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6).

11) COMPOSITION OF AUDIT COMMITTEE:

As on 31st March, 2016 the Audit Committee of the Company consists of three (3) Non-Executive Independent Directors and all of them have financial and accounting knowledge.

The Board has accepted the recommendations of the Audit Committee during the year under review.

The Audit Committee consists of the following:

a) Mr. S. Gopalakrishnan - Chairman
b) Mr. T S Suresh Kumar - Member
c) Mr. P. E. Krishnan - Member

12) NOMINATION AND REMUNERATION COMMITTEE POLICY:

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a Policy for selection and appointment of Directors, Senior Management and for other employees and their remuneration. The same has been disclosed in the website of the Company at url http://www.cerebracomputers.com/governance.htm The Composition, criterial for selection of Directors and the Terms of Reference of the Nomination and Remuneration Committee is stated in the Corporate Governance Report.

The Nomination and Remuneration Committee consists of the following:

a) Mr. S. Gopalakrishnan - Chairman
b) Mr. T S Suresh Kumar - Member
c) Mr. P. E. Krishnan - Member

13) VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has established an effective Vigil Mechanism pursuant to the provisions of Sections 177(9) and (10) of the Companies Act, 2013 and as per Regulation 4(2)(d)(iv) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 which is available on website of the Company at url http://www.cerebracomputers.com/governance.htm and there were no cases reported during the last period.

14) RECEIPT OF ANY COMMISSION BY MD / WTD FROM A COMPANY OR FOR RECEIPT OF COMMISSION / REMUNERATION FROM ITS HOLDING OR SUBSIDIARY:

No commission has been received by MD/WTD from a Company and/or receipt of commission / remuneration from it Holding or Subsidiary to be provided during the year under review.

15) EXTRACT OF ANNUAL RETURN:

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report is attached as Annexure I.

16) INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JV:

The Company has following Subsidiaries:

a) Cerebra LPO India Limited
b) Cerebra Middle East FZCO, Dubai
c) Cerebra E Waste Recovery PTE Limited, Singapore*

*Upon Strike off, ceased to be a Subsidiary Company with effect from 6th June, 2016.

Financial performance of the Subsidiary Companies referred to in Section 129 of the Companies Act, 2013 in Form AOC-1 is annexed to this Report as Annexure-II.

The policy for determining material Subsidiaries as approved by the Board is uploaded on the Company's website at url http://www.cerebracomputers.com/governance.htm

17) STATUTORY AUDITORS:

The Auditors, Messrs Ishwar and Gopal, Chartered Accountants, Bangalore, registered with Institute of Chartered Accountants of India (ICAI) under the firm registration number 001154S, who were appointed for the period of 5 (five) years from the conclusion of the last Annual General Meeting (21st AGM) till the conclusion of 26th Annual General Meeting and will be recommended to be ratified by the Shareholders in the ensuing Annual General Meeting.

Emphasis matter and observations in the Audit Report:

a. Advance towards purchase of fixed assets amounting to Rs. 35,72,13,874/- and trade receivables amounting to Rs. 26,26,08,455/- (refer-note 2(h) (i) and (j) of the Consolidated Financial Statements) are outstanding for more than three years. This raises question regarding recoverability of these dues. The Management is confident of recovering the same either in cash or in kind and hence no provision is made in the accounts.

b. In our opinion Rs. 15,57,65,177/- advance made to Subsidiary Companies are in violation of the provisions of Section 185 of the Act, 2013.

Board's Response:

a. Regarding the Advance towards purchase of fixed assets, the management is hopeful of recovering the amount and hence no provision has been made.

a. Cerebra LPO India Limited is a Subsidiary with 70% shareholdings. Only on need basis, considering the circumstances and the urgent needs, the Company has lent monies to this Subsidiary which will be refunded soon. Cerebra LPO India Limited does not have any banking facility nor does it have any other sources of funding. The Board felt it appropriate to support the Subsidiary on emergency basis.

18) SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Parameshwar G Bhat, Bangalore, a Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor in the Form of MR-3 is annexed to this Report as **Annexure III**.

Explanations by the Board on the comments of Secretarial Auditors:

Sl. No.	Qualifications made by Secretarial Auditor	Explanations by the Board
a.	The re-appointments of Managing Director and Whole Time Directors need to be ratified and approved by the Shareholders and requisite returns need to be filed with the Ministry of Corporate Affairs.	The Company is taking steps for the re-appointment of Managing Director and Whole Time Directors in the ensuing Annual General Meeting of the Company and requisite returns will be filed with Ministry of Corporate Affairs.
b.	Certain web links as required under the Act and Listing Agreement were not provided in the Annual Report for the year ended 31.03.2015.	The Company has provided details of the same in the current year Annual Report. The Company will ensure to comply with the same in future.
c.	The RBI has not issued the approval letter. However, the Company had confirmed that there were some queries from RBI and the same were suitably addressed by the Company and this is being followed up with RBI.	The Company is continuously following with the RBI to obtain the approval letter for the FCGPRs filed by the Company. Further, Suitable reply has been submitted to RBI whenever there were queries.
d.	There were some instances of non compliance of the provisions of Section 185 of the Companies Act, 2013 with regard to providing loan/advance facility to its subsidiary.	The Company will ensure to comply with the same in future.
e.	There were some instances of delay in filing ECB 2 returns.	The Company will ensure filing of ECB 2 returns within the prescribed time limit.
f.	It was observed that there were some instances of payment of wages less than the minimum wages specified under the Minimum Wages Act and Rules.	The Company will ensure to comply with the same in future.

19) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

(A) Conservation of energy:

	Steps taken / impact on conservation of energy,	The Company's operations are not power intensive. Nevertheless, your Company has introduced various measures to conserve and minimize the use of energy wherever it is possible.
(i)	Steps taken by the company for utilizing alternate sources of energy including waste generated	Nil
(ii)	Capital investment on energy conservation equipment	Not Applicable
	Total energy consumption and energy consumption per unit of production as per Form A	Not Applicable

(B) Technology absorption:

	Efforts in brief, made towards technology absorption, adaptation and innovation	Nil
	Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.	Not Applicable
	In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:	Nil
	Technology imported	Not Applicable
	Year of Import	Not Applicable
	Has technology been fully absorbed	Not Applicable
	If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action	Not Applicable

(C) Research and Development (R&D)

	Specific areas in which R & D carried out by the Company	The Company has not carried out any research and development work during the course of the year.
	Benefits derived as a result of the above R & D	Not Applicable
	Future plan of action	Not Applicable
	Expenditure on R & D	
	(a) Capital	Nil
	(b) Recurring	Nil
	(c) Total	Nil
	(d) Total R & D expenditure as a percentage of total turnover	Nil

(D) Foreign exchange earnings and Outgo

	Activities relating to exports	Not Applicable
	Initiatives taken to increase exports	Not Applicable
	Development of new export markets for products and services	Not Applicable
	Export plans	Not Applicable
	Total Exchange used (Cash basis)	As on 31st March, 2016: Rs.1,28,00,170/-
	Total Foreign Exchange Earned (Accrual Basis)	As on 31st March, 2016: NIL

20) RATIO OF REMUNERATION TO EACH DIRECTOR:

The Company had 31 employees as of 31st March, 2016. Pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5 (1) (2) (3) of the Companies (Appointment and Remuneration) Rules, 2014, details/disclosures of Ratio of Remuneration to each Director to the median employee's remuneration is annexed to this report as **Annexure-IV**.

There are no employees posted and working in a country outside India, not being Directors or relatives, drawing more than One Crore Two Lakhs rupees per financial year or Eight Lakhs Fifty Thousand rupees per month as the case may be. Therefore statement/disclosure pursuant to Sub Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required to be circulated to the members and is not attached to the Annual Report.

21) DEPOSITS:

Your Company has not invited/accepted/renewed any deposits from public as defined under the provisions of Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 and accordingly, there were no deposits which were due for repayment on or before 31st March, 2016.

22) SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:

No order was passed by any court or regulator or tribunal during the period under review which impacts going concern status of the Company.

23) DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company continued to maintain high standards of internal control designed to provide adequate assurance on the efficiency of operations and security of its assets. The adequacy and effectiveness of the internal control across various activities as well as compliance with laid-down systems and policies are comprehensively and frequently monitored by your Company's Management at all levels of the organization. The Audit Committee, which meets at-least four times a year, actively reviews internal control systems as well as financial disclosures with adequate participation, inputs from the Statutory, Internal and Corporate Secretarial Auditors.

24) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

During the year under review, the Company has not given any Loan, Guarantees or made Investments within the meaning of Section 186 of the Companies Act, 2013.

25) RISK MANAGEMENT POLICY:

The Company has not yet formulated a Risk Management Policy and has in place a mechanism to inform the Board Members about risk assessment and minimization procedures and undertakes periodical review to ensure that executive management controls risk by means of a properly designed framework.

26) CORPORATE SOCIAL RESPONSIBILTY POLICY:

Since the Company does not meet the criteria for the applicability of Section 135 of the Companies Act read with the Companies (Accounts) Rules, 2015, this clause is not applicable.

27) INDUSTRIAL RELATIONS:

Industrial relations have been cordial and constructive, which have helped your Company to achieve production targets.

28) RELATED PARTY TRANSACTIONS:

There were no Related Party Transactions during the financial year.

However, post close of the financial year the Company has entered into Related Party Transaction with its Subsidiary Company namely Cerebra LPO India Limited for sharing the premises of the Company without any consideration which is not in the Ordinary course of business and not at arm's length basis. This Related Party Transaction was placed before the Audit Committee as well as the Board for their approval. Further, as per Listing Regulations, this transaction is not considered as material Related Party Transactions as it does not exceed ten percent of the annual

consolidation turnover of the Company as per last audited financial statements and hence approval of the Shareholders is not required.

As per the provisions of Regulation 23(1), the Policy on materiality of Related Party Transactions as approved by the Board is uploaded on the Company's website at url http://www.cerebracomputers.com/governance.htm

29. FORMAL ANNUAL EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance and the Directors individually. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

30) LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the financial year 2016-17 to National Stock Exchange of India Limited (NSE) and BSE Limited where the Company's Shares are listed.

31) CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

A separate Report on Corporate Governance in terms of Regulation 34 of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 along with a Certificate from a Practising Company Secretary regarding compliance to the Conditions stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to this report as **Annexure V.**

32. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report is annexed herewith as **Annexure VI**.

33) DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has always believed in providing a safe and harassment free workplace for every individual working in Company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

A policy on Prevention of Sexual Harassment at Workplace has been released by the Company. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behavior. Three member Internal Complaints Committee (ICC) was set up from the senior management with women employees constituting majority. The ICC is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the Policy.

No complaints pertaining to sexual harassment was reported during the year.

34) DIRECTORS' RESPONSIBILITY STATEMENT:

In pursuance of Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

(a) in the preparation of the Financial Statements, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis; and

(e) the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

35) ACKNOWLEDGEMENTS:

The Directors wish to place on record their appreciation for the sincere and dedicated efforts of all employees. Your Directors would also like to thank the Shareholders, Bankers and other Business associates for their sustained support, patronage and cooperation.

For and on behalf of Cerebra Integrated Technologies Limited

Place : Bangalore
Date : 13th August, 2016

V Ranganathan
Managing Director
DIN: 01247305

Shridhar S Hegde
Whole Time Director
DIN: 01247342

Annexure I

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2016
[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN:L85110KA1993PLC015091
ii. Registration Date: 31st December, 1993
iii. Name of the Company: Cerebra Integrated Technologies Limited
iv. Category/Sub-Category of the Company: Company limited by shares and Indian Non Government Company
v. Address of the Registered office and contact details:

Registered Office Address: S-5, Off 3rd Cross, 1st Stage,
Peenya Industrial Area, Bangalore-560 058
Tel.: 080-22046969
Fax. : 080-22046980
Email: investors@cerebracomputers.com
Website: www.cerebracomputers.com

vi. Whether Listed Company: Yes

vii. Name, Address and Contact details of Registrar and Transfer:
Registrars: Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot number 31 & 32,
Gachibowli Financial District, Nanakramguda, Serilingampally
Hyderabad - 500 032, India

Tel.:91 40-67161564
Fax. :91 40-23420814
Email: shobha.anand@karvy.com
Website: www.karvycomputershare.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Wholesale of computers, computer peripheral equipment and software	46511/12 46512	80
2	Manufacture of desktop computers, laptop computers, hand-held computers (e.g. PDA), mainframe computers and computer servers	26201	10
3	Computer consultancy and computer facilities management activities	62020	10

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Cerebra LPO India Limited	U72200KA2008PLC047597	Subsidiary Company	70	2(87)(ii)
2	Cerebra Middle East FZCO, Dubai, UAE	Foreign Company	Subsidiary Company	90	2(87)(ii)
3	*Cerebra E Waste Recovery PTE Limited Singapore	Foreign Company	Subsidiary Company	100	2(87)(ii)

*Upon Strike off, ceased to be a Subsidiary Company with effect from 6th June, 2016

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physi-cal	Total	% of Total Shares	Demat	Physi-cal	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual / HUF	**3444137**	0	**3444137**	4.08	**4660015**	0	**4660015**	4.83	0.75
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any Other….									
Sub-total (A) (1)	**3444137**	0	**3444137**	4.08	**4660015**	0	**4660015**	4.83	0.75
(2) **Foreign**									
a) NRIs -Individuals									
b) Other –Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other….									
Sub-total (A) (2)	**3444137**	0	**3444137**	4.08	**4660015**	0	**4660015**	4.83	0.75
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**3444137**	0	**3444137**	4.08	**4660015**	0	**4660015**	4.83	0.75
B. PublicShareholding									
1. **Institutions**									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
2. **Non-Institutions**									
a) Bodies Corp.									
i) Indian	16598501	0	16598501	19.68	22248190	0	22248190	23.08	3.4
ii) Overseas	33686280	6900000	40586280	48.13	32924973	6900000	39824973	41.31	-6.82
b) Individuals									
i) Individual share holders holding nominalshare capital upto Rs. 1 lakh	4959749	285927	5245676	6.22	10030273	293627	10323900	10.71	4.49
ii) Individual share holders holding nominal share capital inexcess of Rs 1lakh	17664213	48100	17664213	21.00	18912547	38200	18948747	19.65	-1.35
c) Others(specify) NRI	440366	0	440366	0.52	271894	0	271894	0.28	-0.24
Clearing Members NBFC	301689	0	301689	0.36	129303	0	129303	0.13	-0.23
Registered with RBI	0	0	0	0	200	0	200	0	0
Sub-total (B)(2)	**73650798**	**7234027**	**80884825**	**95.92**	**84517380**	**7229827**	**91747207**	**95.17**	**-0.75**
Total PublicShare holding(B)= **(B)(1)+(B)(2)**	**73650798**	**7234027**	**80884825**	**95.92**	**84517380**	**7229827**	**91747207**	**95.17**	**-0.75**
C. Shares held by Custodian forGDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**77094935**	**7234027**	**84328962**	100	**89177895**	**7229827**	**96407722**	**100**	**12.53**

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
	Messrs	**No. of Shares**	**% of total Shares of the company**	**%of Shares Pledged / encumbered to total shares**	**No. of Shares**	**% of total Shares of the company**	**% of Shares Pledged / encumbered to total shares**	**% change in share holding during the year**
1	V RANGANATHAN	734165	0.87	0	1118423	1.16	0	0.29
2	GURURAJA K UPADHYA	711796	0.84	0	0	0	0	-0.84
3	P BHARATH	648906	0.77	0	1010702	1.05	0	0.28
4	P VISHWAMURTHY	648130	0.77	0	998130	1.04	0	0.27
5	SHRIDHAR S HEGDE	660640	0.78	0	1492260	1.55	0	0.78
6	KRISHNAN P E	25100	0.03	0	25100	0.03	0	0
7	PREETHI BHARATH	10000	0.01	0	10000	0.01	0	0
8	PRIYA GURURAJA	3200	0.01	0	3200	0.00	0	0.00
9	SURESH KUMAR T S	2200	0.00	0	2200	0.00	0	0.00
	TOTAL	3444137	4.08	0	4660015	4.83	0	0.75

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
At the beginning of the year	34424137	4.08	4660015	4.83
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweatequity etc) Transfer from DP holding account	1215878 Purchase from the open market	1.26	-	-
At the end of the year	4660015	4.83	4660015	4.83

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Top 10 Shareholders	Shareholding at the beginning of the year i.e. 1st April, 2015		Cumulative Shareholding at the end of the year i.e. 31st March, 2016	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	HESHIKA GROWTH FUND	6039380	7.16%	6039380	6.26%
2	AUCTOR INVESTMENTS LTD	1189380	1.41%	6039380	6.26%
3	SPARROW ASIA DIVERSIFIED OPPORTUNITIES FUND	6039380	7.16%	4091911	4.24%
4	LEMAN DIVERSIFIED FUND	6039380	7.16%	4671888	4.85%
5	STREAM VALUE FUND	6039380	7.16%	5139380	5.33%
6	DAVOS INTERNATIONAL FUND	6039380	7.16%	4643034	4.82%
7	SSJ FINANCE & SECURITIES PVT. LTD.	3394199	4.02%	7943642	8.24%
8	SCENIC OVERSEAS(S) PTE LTD. SINGAPORE *	3600000	4.27%	3600000	3.73%
9	LEYTRON TECHNOLOGY PTE.LTD. SINGAPORE *	3300000	3.91%	3300000	3.42%
10	LPP DEVELOPERS PRIVATE LIMITED	2700000	3.20%	2700000	2.80%

*Hon'ble Additional City Civil Court Bangalore, has issued an interim injunction order from exercising their rights of alienating, encumbering or creating any manner of charge or third party rights with regard to the allotment of these shares and further to this arbitration proceedings have been initiated against them.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year i.e. 1st April, 2015		Cumulative Shareholding at the end of the year i.e. 31st March, 2016	
	For Each of the Directors and KMP	No. of shares of the company	% of total shares	No. of shares of the company	% of total shares
	At the beginning of the year	3403637	4.04	4619515	4.79
	Date wiseIncrease / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer/ bonus/ sweatequity etc)	1215878	1.26		
	Transfer from DP holding account	Purchase from the open market			
	At the End of the year	4619515	4.79	4619515	4.79

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	11,52,943	25,16,00,000	0	25,27,52,943
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	41,22,655	0	41,22,655
Total (i+ii+iii)	11,52,943	25,57,22,655	0	25,68,75,598
Change in Indebtedness during the financial year				
• Addition	0	0	0	0
• Reduction	2,76,718	11,83,60,000	0	11,83,60,000
Net Change	8,76,225	13,32,40,000	0	13,32,40,000
Indebtedness at the end of the financial year				
i) Principal Amount	8,76,225	13,32,40,000	0	13,41,16,225
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	91,42,308	0	91,42,308
Total (i+ii+iii)	8,76,225	14,23,82,308	0	14,32,58,533

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		V Ranganathan	Shridhar S Hegde	P Vishwamurthy	
1	1. Gross salary				
	(a) Salary as per provisions containedin section 17(1) of the Income Tax Act,1961	12,00,000	12,00,000	12,00,000	36,00,000
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	72,000	72,000	72,000	2,16,000
	(c) Profits in lieu of salary undersection 17(3) Income Tax Act, 1961	0	0	0	
2	Stock Option	0	0	0	
3	Sweat Equity	0	0	0	
4	Commission				
	- as % of profit				
	- others, specify	0	0	0	
5	Others, please specify	0	0	0	
	Total (A)	12,72,000	12,72,000	12,72,000	38,16,000
	Ceiling as per the Act				

B. Remuneration to other directors: NA

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		NA	——	——	——	
1	Independent Directors					
	• Fee for attending board / committee meetings					
	• Commission					
	• Others, please specify					
	Total (1)					
2	Other Non-Executive Directors					
	• Fee for attending board / committee meetings					
	• Commission					
	• Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Company Secretary	
1	1. Gross salary	256800	256800
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961		
	(b) Value of perquisites u/s 17(2)Income Tax Act, 1961	14400	14400
	(c) Profits in lieu of salary undersection 17(3) Income-tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	- as % of profit	0	0
	- others, specify	0	0
5	Others, please specify	0	0
	Total	271200	271200

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty Punishment Compounding			None		
B. DIRECTORS					
Penalty Punishment Compounding			None		
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment Compounding			None		

For and on behalf of Cerebra Integrated Technologies Limited

Place : Bangalore
Date : 13th August, 2016

V Ranganathan
Managing Director
DIN: 01247305

Shridhar S Hegde
Wholetime Director
DIN: 01247342

Annexure II

Form AOC-1

(Pursuant to first proviso to sub Section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries / Associate Companies / Joint Ventures.

Part "A" Subsidiaries

(Information in respect of each Subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Name of the Subsidiaries		
		Cerebra LPO India Limited	**Cerebra Middle East FZCO, Dubai**	***Cerebra E Waste Recovery PTE Limited, Singapore**
1	Reporting period (if different from the holding company's reporting period	31.3.2016	31.3.2016	31.3.2016
2	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in case of foreign subsidiaries)	INR	INR	INR
3	Share capital	500000	1223103	-
4	Reserves and surplus	4240146	88626903	-
5.	Total Assets	72791575	258071963	-
6	Total Liabilities	71662981	151550936	-
7	Investments	NIL	NIL	-
8	Turnover	18490973	858999791	-
9	Profit before taxation	(9093581)	23577677	-
10	Provision for taxation	1701461	NIL	-
11	Profit after taxation	(10795042)	23577677	-
12	Proposed Dividend	NIL	NIL	-
13	% of shareholding	70	90	-

*Upon Strike off, ceased to be a Subsidiary Company with effect from 6th June, 2016.

For and on behalf of Cerebra Integrated Technologies Limited

Place : Bangalore
Date : 13th August, 2016

V Ranganathan
Managing Director
DIN: 01247305

Shridhar S Hegde
Whole Time Director
DIN: 01247342

Annexure III

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To

The Members,

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Cerebra Integrated Technologies Limited (CIN: L85110KA1993PLC015091) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Cerebra Integrated Technologies Limited for the financial year ended on 31.03.2016 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(vi) The Industry specific laws applicable to the Company are as follows:

a) The Information Technology Act, 2000

b) The Special Economic Zone Act, 2005

c) Policy relating to Software Technology Parks of India and its regulations

d) The Indian Copyright Act, 1957

e) The Patents Act, 1970

f) The Trade Marks Act, 1999

(vii) The other general laws as may be applicable to the Company including the following:

(1) Employer/Employee Related laws & Rules:

i. Industries (Development & Regulation) Act, 1951

ii. The Factories Act, 1948

iii. The Employment Exchanges (Compulsory notification of Vacancies) Act, 1959

iv. The Apprentices Act, 1961

v. The Employees Provident Fund & Miscellaneous Provisions Act, 1952

vi. The Employees State Insurance Act, 1948
vii. The Workmen's Compensation Act, 1923
viii. The Maternity Benefits Act, 1961
ix. The Payment of Gratuity Act, 1972
x. The Payment of Bonus Act, 1965
xi. The Industrial Disputes Act, 1947
xii. The Trade Unions Act, 1926
xiii. The Payment of Wages Act, 1936
xiv. The Minimum Wages Act, 1948
xv. The Child Labour (Regulation & Abolition) Act, 1970
xvi. The Contract Labour (Regulation & Abolition) Act, 1970
xvii. The Industrial Employment (Standing Orders) Act, 1946
xviii. Equal Remuneration Act, 1976
xix. The Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013
xx. The Karnataka Shops & Establishments Act, 1961
xxi. The Industrial Establishments (National and Festival Holidays) Act, 1963
xxii. The Labour Welfare Fund Act, 1965
xxiii. The Karnataka Daily Wage Employees Welfare Act, 2012
xxiv. For majority of Central Labour Laws the State has introduced Rules [names of each of the Rules is not included here]

(2) Environment Related Acts & Rules:

i. The Environment Protection Act, 1986
ii. The Water (Prevention & Control of Pollution) Act, 1974
iii. The Air (Prevention & Control of Pollution) Act, 1981
iv. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.

(3) Economic/Commercial Laws & Rules:

i. The Competition Act, 2002
ii. The Indian Contract Act, 1872
iii. The Sales of Goods Act, 1930
iv. The Indian Stamp Act, 1899
v. The Transfer of Property Act, 1882

I have also examined compliances with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India on the Board and General Meetings i.e. SS - 1 and SS - 2 (applicable from 1st July, 2015).

(ii) The Listing Agreements entered into, by the Company with the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, wherever applicable. The Company is also listed in the Stock Exchange of Ahmadabad and Calcutta Stock Exchange Association Limited. However, the Company has applied for delisting from the Stock Exchange of Ahmadabad and Calcutta Stock Exchange Association Limited and there were no trading activities in the said Stock Exchanges.

further state that during the period under review and based on my verification of the records maintained by the Company and also on the review of compliance reports/statements by respective department heads/Chief Financial Officer/ Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and process and control mechanism exist in the Company to monitor and ensure compliance with applicable labour laws, environmental laws and other applicable laws as mentioned above. Certain non material findings made during the course of the audit relating to the provisions of Companies Act, Labour Laws and Secretarial Standards were addressed suitably by the Management. Following observations have been brought before the shareholders which are treated as material in nature:

a) The re-appointments of Managing Director and Whole Time Directors need to be ratified and approved by the Shareholders and requisite returns need to be filed with the Ministry of Corporate Affairs.

b) Certain web links as required under the Act and Listing Agreement were not provided in the Annual Report for the year ended 31.03.2015.

c) The RBI has not issued the approval letter for the FCGPRs filed by the Company. However, the Company had confirmed that there were some queries from RBI and the same were suitably addressed by the Company and this is being followed up with RBI.

d) There were some instances of non compliance of the provisions of Section 185 of the Companies Act, 2013 with regard to providing loan/advance facility to its subsidiary.

e) There were some instances of delay in filing ECB 2 returns.

f) It was observed that there were some instances of payment of wages less than the minimum wages specified under the Minimum Wages Act and Rules.

Further I report that with regard to financial and taxation matters, I have relied on the Audit Report, Limited Review Report and the Internal Audit Report provided by the Statutory/Internal Auditor as the case may be.

I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors which took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes as per the practice followed. However, during the period under report, there was no such case instance.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the year, the Company has not passed any resolutions through postal ballot.

I further report that during the year, the Company has allotted 1,20,78,760 (One Crore Twenty Lakhs Seventy Eight Thousand Seven Hundred and Sixty only) Equity Shares of Rs.10/- (Rupees Ten only) each at a premium of Re. 0.50 (Fifty Paisa only) on conversion of Foreign Currency Convertible Bonds (FCCB) to FCCB holders as per terms and conditions exhibited in the FCCB offering Circular dated 19th December, 2014.

Place: Bangalore
Date: 30.05.2016

(Parameshwar G.Bhat)
ACS No.: 25167
C P No.: 11004

Note: This report is to be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.

Annexure to Secretrial Auditor Report

My report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for our opinion.

3. I have not verified the correctness and appropriateness of Financial records and Books of Accounts of the Company including records under Income Tax Act, Central Excise Act, Customs Act, Central and State Sales Tax Act.

4. Where ever required, the Company has represented about the compliance of laws, rules and regulations and happening of events etc as applicable from time to time.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.

6. The secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Place: Bangalore
Date: 30.05.2016

(Parameshwar G.Bhat)
ACS No.: 25167
C P No.: 11004

Annexure IV

	RATIO OF REMUNERATION	
(i)	the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year;	2:1
(ii)	the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer or Company Secretary in the financial year;	1. Mr. V Ranganathan Managing Director-0% 2. Mr. Shridhar S Hegde- Wholetime Director and CFO-0% 3. Mr. P Vishwamurthy -Wholetime Director - 0% 4. Ms. Nutan Soudagar,Company Secretary-15%
(iii)	the percentage increase in the median remuneration of employees in the financial year;	21.53%
(iv)	the number of permanent employees on the rolls of Company;	As on 31.03.2016 31 members
(v)	the explanation on the relationship between average increase in remuneration and Company performance;	Increased in remuneration is based on the industrial standard and experience of each employees
(vi)	comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;	Remuneration paid to Key Managerial person is based on remuneration Policy of the Company
(vii)	variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed Companies, and in case of unlisted Companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year;	There is no material variation in the share price
(viii)	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	This is as per the companies increment guideline
(ix)	comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	This is as per the companies increment guideline
(x)	the key parameters for any variable component of remuneration availed by the Directors;	Not Applicable
(xi)	the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	Not Applicable
(xii)	affirmation that the remuneration is as per the remuneration Policy of the Company.	Yes

For and on behalf of Cerebra Integrated Technologies Limited

Place : Bangalore
Date : 13th August, 2016

V Ranganathan
Managing Director
DIN: 01247305

Shridhar S Hegde
Wholetime Director
DIN: 01247342

ANNEXURE TO THE BOARD'S REPORT **Annexure V**
REPORT ON CORPORATE GOVERNANCE
MANDATORY REQUIREMENTS

1. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE.

As reported in the last Annual Report, your Company has implemented and complied with the Corporate Governance Code recommended by the Securities and Exchange Board of India (SEBI). Your Company shall always be managed with the principles of Good Corporate Governance with a view to enhance overall Shareholder value and to run the business effectively to achieve its corporate objectives.

2. BOARD OF DIRECTORS:

a. The Company currently has 7 (Seven) Directors, including one Non-Executive Director and three Non-Executive Independent Directors.

After due circulation of agenda and notes thereon, the Board of Directors have met at reasonable periods of intervals to transact business on various Board's functions, responsibilities and accountabilities. Compliances of various Laws and Regulations along with the Corporate Philosophy, goal, plans and strategies have been dwelt at length by the Board at its various proceedings.

The details of the Directors' attendance at the Meetings of the Board of your Company during the financial year end 31st March, 2016 are given below:

Sl. No.	Name	DIN	Category	Designation	No. of Board Meetings attended	No. of Directorship in other Comanies incorporated in India	No. of Committee memberships in other companies incorporated in India	Attended last AGM
1.	Mr. V Ranganathan	01247305	Executive Director (Promoter Group)	Managing Director	4	2	-	Yes
2.	Mr. Shridhar S Hegde	01247342	Executive Director (Promoter Group)	Whole Time Director	4	1	-	Yes
3.	Mr. P Vishwamurthy	01247336	Executive Director (Promoter Group)	Whole Time Director	4	1	-	Yes
4.	Ms. Preethi Javali	07157145	Non-Executive Director	Non-Executive Director	4	-	-	NA
5	Mr. Suresh Kumar TS	00674759	Non-Executive and Independent Director	Independent Director	4	7	-	Yes
6	Mr. P. E. Krishnan	01897686	Non-Executive and Independent Director	Independent Director	4	2	-	Yes
7	Mr. S Gopalakrishnan	01898255	Non-Executive and Independent Director	Independent Director	4	-	-	Yes

b. DETAILS OF BOARD MEETINGS HELD DURING THE YEAR:

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings.

The Board of Directors duly met Four (4) Meetings were held on 30th May 2015, 14th August 2015, 14th November 2015, and 13th February 2016.

None of the Non-executive Directors has any material pecuniary relationship or transactions with the Company.

3. AUDIT COMMITTEE:

The Audit Committee is responsible for overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible; recommending the appointment and removal of the statutory and internal auditors, fixation of audit fees, the approval for payment for any other services and reviewing with the management the annual financial statements before submission to the Board.

The Committee also meets the management team and reviews the operations, new initiatives and performance of the business units. The minutes of the Audit Committee are circulated to the Board, discussed and taken note of.

The Audit Committee is comprised of the following Directors:

1. Mr. S. Gopalakrishnan - Chairman
2. Mr. T.S. Suresh Kumar - Member
3. Mr. P.E. Krishnan - Member

The Audit Committee met 4 (Four) times during the year on 30th May 2015, 14th August 2015, 14th November 2015 and 13th February 2016.

The details of attendance of the Meetings of the Audit Committee are as follows:

Sl. No.	Name	No. of Meetings attended during the year
1.	Mr. S Gopalakrishnan	4
2.	Mr. T.S. Suresh Kumar	4
3.	Mr. P.E. Krishnan	4

The Audit Committee reviewed the financial results, accounting and financial controls as well as policies and practices as also internal control and internal audit systems.

4. NOMINATION AND REMUNERATION COMMITTEE:

The functions of Nomination and Remuneration Committee are as follows:

- Formulation of criteria for persons to become Director and to senior management positions including KMPs and recommending to the Board for their appointments and removal.
- Continuous review and evaluation of the performance of the Board members.
- Broadly oversee the Administrative and Executive compensation programme.
- Any other functions as may be mandated by the Board or any Statutes or enactment.

Remuneration of employees largely consists of base remuneration, perquisites and performance incentives.

The Nomination and Remuneration Committee consists of the following Directors:

1. Mr. S. Gopalakrishnan – Chairman
2. Mr. T.S Suresh Kumar – Member
3. Mr. P.E. Krishnan – Member

The Committee met 2 (Two) times during the year on 14th August, 2015 and 13th February, 2016.

Sl. No.	Name	No. of Meetings attended during the year
1.	Mr. S. Gopalakrishnan	2
2.	Mr. T.S. Suresh Kumar	2
3.	Mr. P.E. Krishnan	2

Details of Remuneration of all Directors:

Sl. No.	Name	Designation	Salary(in Rs)	Sitting fee*
Executive/Wholetime Directors				
1.	Mr. V Ranganathan	Managing Director	1200000.00	NIL
2.	Mr. Shridhar S Hegde	Whole Time Director	1200000.00	NIL
3.	Mr. P Vishwamurthy	Whole Time Director	1200000.00	NIL
Non Executive and Independent Directors				
4.	Ms. Preethi Javali	Non-Executive Director	NIL	NIL
5.	Mr. Suresh Kumar TS	Independet Director	NIL	NIL
6.	Mr. P. E. Krishnan	Independet Director	NIL	NIL
7.	Mr. S Gopalakrishnan	Independet Director	NIL	NIL

Note: No sitting fee was paid to the Directors.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The functions of Stakeholders' Relationship Committee are as follows:

- To look into the shareholders complaints, if any and to redress the same expeditiously.
- To approve the request for issue of duplicate share certificates and issue of certificates after split/consolidation.

The Stakeholders' Relationship Committee consists of the following:

1. Mr. S. Gopalakrishnan - Chairman
2. Mr. TS Suresh Kumar - Member
3. Mr. P.E. Krishnan - Member

The Sub-Committee duly appointed by the aforesaid Committee met continuously to address the various issues relating to the investors, including non-receipt of Annual Reports, Dividend related issues, Change of addresses, transfers of shares, dematerialization and other related aspects. The Company has also continuously requisitioned the services of an independent Practicing Company Secretary to review the procedures followed by the RTA. No major grievance of any investor was pending as on 31st March, 2016.

Ms. Nutan Soudagar, Company Secretary, is the Compliance Office of the Company.

6. INDEPENDENT DIRECTORS' MEETING:

During the year under review, the Independent Directors met on 13th February, 2016, inter *alia*, to discuss:

- Evaluation of the performance of the Non-Independent Directors and the Board as a whole,
- Evaluation of the performance of the Chairman of the Company taking into account the views of the Executive and Non-Executive Directors ,
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors viz., Mr. S. Gopalakrishnan, Mr. T.S. Suresh Kumar and Mr. P.E. Krishnan were present at the Meeting.

The Company had also further during the year, conducted Familiarisation programme for Independent Directors of the Company and the details of such familiarisation programmes are disseminated on the website of the Company at url http://www.cerebracomputers.com/governance.htm.

7. CRITERIA FOR MAKING PAYMENTS TO NON- EXECUTIVE DIRECTORS:

The Company has laid down the criteria for making payments to the Non-Executive Directors. The details of such criteria are available on the website of the Company url http://www.cerebracomputers.com/governance.htm.

8. PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Listing Agreement, the Board has carried out the annual performance evaluation of its own performance and its Committee's and the Directors individually. A structured questionnaire was prepared covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance etc.,

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board/Committee's, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Corporate Secretarial Department. The Board were satisfied with the evaluations results which reflected the overall engagement and effectiveness of the Board and its Committees.

9. COMPLIANCE OFFICER AND ADDRESS FOR CORRESPONDENCE:

Ms. Nutan Soudagar, the Company Secretary
Cerebra Integrated Technologies Limited
S5, Off 3rd Cross, Peenya Industrial Area
Peenya 1st Stage, Bangalore -560 058
Tel.: 080-22046969 Fax: 080-22046980
Email: nutan@cerebracomputers.com
Website: www.cerebracomputers.com

10. DETAILS OF ANNUAL GENERAL MEETING (AGM):

Year	Date	Time	Location
2012-13	31.12.2013	11.00 AM	Registered Office of the Company
2013-14	31.12.2013	10.00 AM	4th Floor, Corporate Office of the Company
2014-15	29.09.2015	10.00 AM	4th Floor, Corporate Office of the Company

Particulars of Special Resolution passed in the last three AGMs are given below:

31.12.2013	Nil
29.09.2014	1. Appointment of Mr. T. S. Suresh Kumar as an Independent Director. 2. Appointment of Mr. S. Gopalakrishnan as an Independent Director. 3. Issue of Global Depository Receipts (GDRs) /American Depository Receipts (ADRs) /Foreign Currency Convertible Bonds (FCCBs) / Equity Shares / Warrants and / or Instruments Convertible Into Equity Shares For an Aggregate sum up to US$ 16 Million (Approximately Rupees 96 Crores). 4. Increase in Authorized Capital. 5. Alteration in Memorandum of Association of the Company 6. Alteration of Articles of Association of the Company
29.09.2015	1. Appointment of Ms. Preethi Javali as a Director 2. Appointment of Mr. P.E. Krishnan as an Independent Director 3. Disinvestment by the Company as per Companies 2013 and Clause 49 of the Listing Agreement

There are 3 (Three) items which is required to be passed as Special Resolutions at the ensuing Annual General Meeting (AGM) to be held on 16th September, 2016.

11. MEANS OF COMMUNICATION:

Quarterly/half yearly/annual financial results are forwarded to the Stock Exchanges, Published in Financial Express English and E Sanje Kannada News papers. The Company's financial results and shareholding pattern are also displayed in the Company's website. The Company does not make any representations to the Institutional investors or to the Analysts.

12. DISCLOSURES:

SUBSIDIARY COMPANIES:

The Company has following Subsidiaries:

a) Cerebra LPO India Limited

b) Cerebra Middle East FZCO, Dubai

c) Cerebra E Waste Recovery PTE Limited, Singapore*

*Upon striking off, ceased to be a Subsidiary Company with effect from 6th June, 2016.

The financials of the Subsidiary Companies have been duly reviewed by the Audit Committee and the Board of the Holding Company. The Board minutes of the Unlisted Subsidiary Companies have been placed before the Board of the Holding Company. The Holding Company's Board is also periodically informed about all significant transactions and arrangements entered into by the Subsidiary Companies. The Company has also formulated a Policy for determining the Material Subsidiary and the details of such policies as approved by the Board are disseminated in the website of the Company at url http://www.cerebracomputers.com/governance.htm.

13. RELATED PARTY TRANSACTIONS:

There were no Related Party Transactions during the financial year.

14. CODE OF CONDUCT:

The Company has adopted Code of Conduct which has been implemented. The Code of Conduct is made applicable to the Directors and Senior Management Team. The Code of Conduct is available on the website of the Company at url http://www.cerebracomputers.com/governance.htm. Requisite annual affirmations of compliance with respective codes have been made by the Directors and Senior Management of the Company for the period April 01, 2015 to March 31, 2016.

The Certificate by the CEO of the Company concerning compliance with the Code of Conduct for Directors and Senior Management is given below:

Code of Conduct for Directors and Senior Management

CEO Confirmation

I hereby confirm that:

The Company has obtained from the Directors and Senior Management personnel affirmation that they have complied with the above code for, and in respect of, the year ended March 31, 2016.

Place: Bangalore
Date: 13th August, 2016

V. Ranganathan
Managing Director
DIN: 0124730

15. REPORTING OF INTERNAL AUDITOR:

The Internal Auditor duly appointed, reports to the Audit Committee.

16. CEO AND CFO CERTIFICATION:

The Managing Director and the CFO of the Company have certified to the Board of Directors, inter *alia*, the accuracy of financial statements and adequacy of Internal Controls for the financial reporting purpose as required under clause 49(IX) of the Listing Agreement, for the period ended 31st March, 2016.

17. COMPLIANCES:

There have been no instances of non-compliance by the Company on any matters related to the capital markets, nor have any penalty/strictures been imposed on the company by the Stock Exchanges or SEBI or any other statutory authority on such matters.

18 GENERAL SHAREHOLDERS' INFORMATION:

The following information would be useful to the Shareholders:

1. Annual General Meeting Date and Time: 16th September, 2016 at 11.00 AM
2. Financial Year: 1st April, 2015 to 31st March, 2016
3. Book Closure Date: 16th September, 2016
4. Listing on Stock Exchange at:
   a. BSE Limited
   b. National Stock Exchange of India Limited (NSE)

19. Depositories:

National Securities Depository Limited
Central Depository Services Limited
Stock Code: BSE – 532413
NSE: Cerebraint
Demat arrangement with NSDL and CDSL: INE345B01019.

20. Registrars & Share Transfer Agents:

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot number 31 & 32,
Gachibowli Financial District,Nanakramguda, Serilingampally Mandal
Hyderabad - 500 032, India
Phone: +91 40-67161564 Fax: +91 40-23420814
Email: shobha.anand@karvy.com

21. Stock Market Data:

BSE Limited
Scrip Code: 532413
Company: CEREBRA INT (in Rs.)

Month	Open Price	High Price	Low Price	Close Price
Apr-15	16.3	17.25	13.05	13.6
May-15	14.7	15.6	11.88	12.94
Jun-15	13.5	14.33	9.15	11.04
Jul-15	11.00	15.54	10.4	13.74
Aug-15	14	15.5	10.95	14.15
Sep-15	14.25	14.97	12.5	12.79
Oct-15	13.3	20.4	12.4	19.07
Nov-15	19.6	27.9	18.95	23.95
Dec-15	24.7	28.75	20.4	21.25
Jan-16	21.45	23.3	16.65	19.35
Feb-16	19.5	20.75	14.05	15.8
Mar-16	16.35	18.00	14.65	15.9

National Stock Exchange of India Limited, (NSE)

CEREBRAINT (in Rs.)

Month	Open Price	High Price	Low Price	Close Price
Apr-15	15.6	17.5	12.65	13.5
May-15	13.95	15.5	11.4	12.95
Jun-15	13.95	13.95	9.00	10.95
Jul-15	11.5	15.75	10.15	13.95
Aug-15	14.00	15.70	10.80	14.05
Sep-15	14.25	14.80	12.05	13.00
Oct-15	13.3	20.35	12.65	19.05
Nov-15	19.25	27.85	18.95	23.95
Dec-15	24.65	28.75	20.45	21.3
Jan-16	21.4	23.3	16.4	19.3
Feb-16	19.50	20.80	14.00	16.00
Mar-16	15.75	18.10	14.60	16.15

22 Share Transfer System:

The Company in consultation with the RTA ensures that the transfers of shares in physical form and dematerialization take place well within the time limits.

23 Distribution of Shareholding as at March 31, 2016:

Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
0-5000	7729	68.84	1434665	14346650	1.49%
5001 - 10000	1268	11.29	1110755	11107550	1.15%
10001 - 20000	756	6.73	1248376	12483760	1.29%
20001 - 30000	358	3.19	955560	9555600	0.99%
30001 - 40000	169	1.51	624545	6245450	0.65%
40001 - 50000	203	1.81	980990	9809900	1.02%
50001 - 100000	324	2.89	2546513	25465130	2.64%
100001 & Above	421	3.75	87506318	875063180	90.77%
TOTAL	**11228**	**100**	**96407722**	**964077220**	**100.00%**

24. Categories of Shareholding as at March 31, 2016:

Category	No. of shares held	% of holding
Promoters Holding:		
i. Indian Promoters	4660015	4.83
ii. Foreign Promoters		
Sub Total	**4660015**	**4.83**
Non-Promoters Holding:		
i. Mutual Fund and UTI	500	0.00
Iii. NBFC Registered with RBI	200	0.00
iii. Bodies Corporate		
a. Indian	22248190	23.08
b. Foreign	39824973	41.31
iv. Indian Public	29272647	30.36
v. NRIs/OCBs	271894	0.28
vi Foreign Collaborators	9200000	10.91
vi. Others –		
Clearing Members	129303	0.13
Sub Total	91747207	95.17
Grand Total	**96407722**	**100**

Dematerialization of shares and liquidity as at 31-03-2016:

Control Report as on 31-03-2016

Description	No. of Holders	Shares	% To Equity
PHYSICAL	1585	7229827	7.50
NSDL	6079	66317999	68.79
CDSL	3564	22859896	23.71
Total:	**11228**	**96407722**	**100**

Comparative position as on 31-03-2016

Description	No. of Holders	Shares	% To Equity
PHYSICAL	1585	7229827	7.50
ELECTRONIC FORM	9643	89177895	92.50
Total:	**11228**	**96407722**	**100**

12. Number of days taken for dematerialization: 15 Days from the date of Physical documents received

13. Dematerialization request from 01-04-2015 to 31-03-2016:

Sl. No	Depositories	No. of Cases	No. of Shares	% of Shares
1.	NSDL	12	3000	0.00
2.	CDSL	5	700	0.00

25. Postal Ballot:

No Resolution was passed during the year attracting Postal Ballot and no resolution attracting Postal Ballot is recommended at this meeting.

26. Management Discussion and Analysis

The Management Discussion and Analysis is attached to the Board's Report and is a part of this Annual Report.

27. Details of compliance with mandatory requirements:

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Corporate Governance Report of the Company for the financial year 2015-16 is in compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

28. Adoption of the Non-Mandatory Requirements:

i. Nomination and Remuneration Committee has duly been constituted.

ii. The Company consistently trains its Board members, on an on-going basis, in the business model of the Company as well as the risk profile of the business parameters of the Company, their responsibilities as Directors, and the best ways to discharge them.

iii. The Company has a procedure of bringing to the notice of management, any matter/s regarding concerns about unethical behaviour, actual or suspected fraud or violation of Company's code of conduct or ethics policy.

- Independent Directors of the Company have the option and freedom to meet Company Management regularly. They are provided with all information sought by them to perform their duty effectively and efficiently.
- Audit Committee has duly been constituted, and its scope and functions has already detailed elsewhere in this report.

- Matters referred to Audit Committee, as detailed elsewhere in the report include, inter *alia*, recommendation to Board, on appointment of Statutory and Internal Auditor/s.
- Reconciliation of Share Capital Audit Report is conducted every financial quarter and placed before the Audit Committee and the Board for review.

29. Auditors' Certification on Corporate Governance

Compliance certificate from the auditors regarding compliance of conditions of corporate governance is attached is attached to the Board's Report and is a part of this Annual Report.

30. Plant Locations:

S-5, Off 3rd Cross, 1st Stage,

Peenya Industrial Area, Bangalore - 560 058

Phone: 080-22046969

31 Address for Correspondence:

Cerebra Integrated Technologies Limited

S-5, Off 3rd Cross, 1st Stage,

Peenya Industrial Area, Bangalore - 560 058

Tel.: 080-22046969

Fax. : 080-22046980

Email: investors@cerebracomputers.com

Website: www.cerebracomputers.com

Certification by CEO (Managing Director)

We, V. Ranganathan, Managing Director and Shridhar S Hegde, Wholetime Director and Chief Financial Officer of Cerebra Integrated Technologies Limited, certify that;

1. We have reviewed the financial statements for the year and that to the best of our knowledge and belief:
   a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
   b. These statements give a true and fair view of the state of affairs of the Company and the results of operations and cash flows. These statements have been prepared in conformity in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by
   a. The Company during the year, which are fraudulent, illegal and violative of the Company's code of conduct.
3. We accept overall responsibility for the Company's internal control system for financial reporting. The Auditors and Audit Committee are appraised of any corrective action taken with regard to significant deficiencies and material weakness.
4. We indicate to the Auditors and Audit Committee
   a. Any significant changes in internal control over financial reporting during the year.
   b. Significant changes in accounting policies during the year.
   c. Instances of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the company's internal control system over financial reporting.

   However, during the year there were no such instances.

Place : Bangalore
Date : 13th August, 2016

Shridhar S Hegde
Wholetime Director and
Chief Financial Officer
DIN: 01247342

V Ranganathan
Managing Director
DIN: 01247305

CERTIFICATE

AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENTS AND THE SEBI (LODR) REGULATIONS, 2015

To

The Members of

Cerebra Integrated Technologies Limited

Bangalore

I have examined all the relevant records of Cerebra Integrated Technologies Limited ('the Company') for the purpose of certifying the compliances of the conditions of Corporate Governance by the Company for the year ended 31st March, 2016 as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges for the period April 1, 2015 to November 30, 2015 and in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') for the period December 1, 2015 to March 31, 2016.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement / the Listing Regulations.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place : Bangalore
Date : 13th August, 2016

Vijayakrishna K T
Practising Company Secretary
FCS-1788 CP-980

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CEREBRA INTEGRATED TECHNOLOGIES LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Cerebra Integrated Technologies Limited ('the Company'), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its profit and its cash flows for the year ended on that date.

Emphasis of Matters

Without qualifying our report, we draw attention to note 27.11 ,27.12 and 27.13 of the standalone financial statements relating to capital advances amounting to Rs. 35,72,13,874/- and trade receivables amounting to Rs. 19, 43, 93,605/- which are outstanding for more than three years. This raises question regarding recoverability of these dues. The Management is confident of recovering the same either in cash or in kind and hence no provision is made in the accounts .

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
   - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   - (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
   - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
   - (e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
   - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
   - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
     - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements
     - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any,
     - iii) As per the information and explanation given to us the Company is not liable to transfer any amount during the year under review to the Investor Education and Protection Fund .

For Ishwar & Gopal,
Chartered Accountants,
Firm's Registration Number: 001154S

K V Gopalakrishnayya
Partner
Membership Number: 021748

Place : Bangalore
Date : 30.05.2016

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016,

We report that:

i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets

b) As explained to us, all the fixed assets were physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) The title deeds of immovable properties are held in the name of the company.

ii. As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification of inventories, compared to book records.

iii. The company has granted interest free unsecured advance to two parties covered in the register maintained under Section 189 of the Act amounting to Rs 10,16,07,674/-. The amount outstanding as on 31st March 2013

a. According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that these advances are prima facie prejudicial to the interest of the Company as the same are interest free in nature.

b. We have been informed that there is schedule for repayment is not finalized and hence we are unable to express an opinion as to whether the receipt of principal are regular.

c. As schedule for repayment is not finalized we are unable to comment as to whether there are over dues outstanding for more than ninety days.

iv. In our opinion Rs 10,16,07,674/- advance made to subsidiary Companies are in violation of the provisions of section 185 of the Act, 2013.

v. The Company has not accepted any deposits from the public and hence clause 3 (v) of the Companies (Auditor's Report) Order 2016 is not applicable.

vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company and hence clause 3 (vi) of the Companies (Auditor's Report) Order is not applicable.

vii.a. The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, and any other statutory dues with the appropriate authorities except for Income Tax and Excise Duty.

The extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable is given as under

Name of the Statute	Nature of Due	Amounts in INR	Period to which it relates	Due Dates	Date of Payment
Income Tax Act 1961	Income tax	8,99,914	2001-02	Various dates	Not paid as on the date of this report
Central Excise Act,1944	Excise duty	28,09,259	2002-03	Various dates	Not paid as on the date of this report

b. According to the information given to us there is no disputed dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which has not been deposited with the relevant authorities on account of any dispute.

viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Companies (Auditor's Report) Order 2016 is not applicable.

ix. The Company has not raised money by share capital issue. Accordingly, paragraph 3(ix) of the Companies (Auditor's Report) Order 2016 is not applicable.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Companies (Auditor's Report) Order 2016 is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Companies (Auditor's Report) Order 2016 is not applicable

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Ishwar & Gopal,
Chartered Accountants,
Firm's Registration Number : 001154S

K V Gopalakrishnayya
Partner
Membership Number: 021748
Place : Bangalore
Date : 30.05.2016

Annexure - B to the Auditors' Report

Referred to in paragraph (f) 'Report on Other Legal and Regulatory Requirements' in our Auditor' Report to the members of the Company on the Standalone Financial Statements for the year ended March 31, 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Cerebra Integrated Technologies Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

According to the information and explanations given to us and based on our audit of the Company's internal financial control over advance payment for purchase of fixed assets, customer acceptance, credit evaluation and establishing customer credit limit for sales, were not operating effectively which could potentially result in recognizing revenue/ non provision for bad debts without establishing reasonable certainty of ultimate collection. Subject to the above, in In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ishwar & Gopal,
Chartered Accountants,
Firm's Registration Number : 001154S

K V Gopalakrishnayya
Partner
Membership Number: 021748
Place : Bangalore
Date : 30.05.2016

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

BALANCE SHEET AS AT 31st March 2016

Amounts in INR

Particulars	Note No.	As at 31- March-2016		As at 31- March-2015	
EQUITY AND LIABILITIES					
Shareholders' funds					
a. Share Capital	3	96,41,78,720		84,33,91,120	
b. Reserves and Surplus	4	43,18,25,616	1,39,60,04,336	41,58,10,970	1,25,92,02,090
Non-current liabilities					
a. Long Term borrowings	5	13,38,76,716		25,24,76,950	
b. Long term provisions	6	24,93,318	13,63,70,034	21,92,071	25,46,69,021
Current Liabilities					
a. Trade payables					
i. Total outstanding due of micro enterprise & Small enterprise					
ii. Total outstanding due of other than micro enterprise & Small enterprise		2,10,57,148		30,14,62,257	
b. Other Current liabilities	7	2,21,92,132		1,68,10,797	
c. Short term provisions	8	24,72,007	4,57,21,288	11,38,627	31,94,11,681
TOTAL			**1,57,80,95,658**		**1,83,32,82,792**
ASSETS					
Non-current assets					
a. Fixed Assets					
Tangible Assets	9	5,64,20,391		5,97,65,128	
b. Non-current investments	10	96,72,493		4,42,90,417	
c. Long term loans & advances	11	43,84,37,933		39,62,46,161	
d. Other non-current assets	12	1,65,100	50,46,95,917	1,65,100	50,04,66,806
Current Assets					
a. Inventories	13	2,00,81,131		2,02,61,647	
b. Trade receivables	14	30,16,88,328		59,02,72,147	
c. Cash & Cash equivalents	15	69,47,90,479		63,42,95,895	
d. Short term loans & advances	16	5,60,24,489		8,76,02,912	
e. Other Current assets	17	8,15,314	1,07,33,99,741	3,83,384	1,33,28,15,986
TOTAL			**1,57,80,95,658**		**1,83,32,82,792**
Significant accounting policy and additional information	1, 2 & 27				

As per our Report of even date:
For Ishwar & Gopal,
Chartered Accountants

For and on behalf of the Board

K.V. Gopalakrishnayya
Partner
Membership No : 021748
Firm registration No : 001154S

V Ranganathan
Managing Director
DIN: 01247305

Shridhar S Hegde
Wholetime Director & CFO
DIN: 01247342

Nutan Soudagar
Company Secretary

Place : Bangalore
Date : 30.05.2016

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

Statement of Profit and Loss for the Year ended 31st March, 2016

Amounts in INR

Particulars	Note No.	For the year ended 31- March-2016	For the year ended 31- March-2015
Income:			
Revenue from operations	18	1,33,91,32,824	1,29,81,95,015
Other Income	19	3,84,19,329	18,59,406
Total Revenue		1,37,75,52,153	1,30,00,54,422
Expenses:			
Cost of materials consumed	20	34,66,270	53,39,249
Purchase of Stock-in-Trade	21	1,29,94,72,844	1,26,17,25,904
Changes (Increase) / Decrease in inventories of finished goods, work-in-progress and stock-in-trade	22	23,88,906	(56,60,690)
Employee benefits expense	23	1,29,73,309	1,15,14,649
Financial costs	24	76,74,912	47,73,047
Depreciation and amortization expense	25	35,44,462	41,05,378
Other expenses	26	3,80,56,184	2,58,75,043
Total Expenses		1,36,75,76,887	1,30,76,72,580
Profit before tax		99,75,266	(76,18,158)
Tax expense / (Credit):			
Current tax		19,01,461	-
MAT Credit Entitlement		(19,01,461)	-
Profit after Tax for the Year		99,75,266	(76,18,158)
Earning per equity share of Rs 10/ each			
(1) Basic		0.11	(0.14)
(2) Diluted		0.11	(0.12)
Significant accounting policy and additional information	1,2 & 27		

As per our Report of even date:
For Ishwar & Gopal,
Chartered Accountants

For and on behalf of the Board

K.V. Gopalakrishnayya
Partner
Membership No : 021748
Firm registration No : 001154S

V Ranganathan
Managing Director
DIN: 01247305

Shridhar S Hegde
Wholetime Director & CFO
DIN: 01247342

Nutan Soudagar
Company Secretary

Place : Bangalore
Date : 30.05.2016

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

Cash Flow Statement for the Year ended March 31, 2016

Amounts in INR

Particulars	Year ended 31- March-2016		Year ended 31- March-2015	
A. Cashflow from operating activities				
Net Profit before tax and extraordinary items		99,75,266		(76,18,158)
Adjustments for:				
Depreciation (net)	35,44,463		41,05,379	
Interest expenditure	71,92,578		47,73,047	
Interest income	(24,76,571)		(8,32,409)	
Dividend Income	-		(4,809)	
Excess Provision/Unclaimed credit withdrawn	(22,26,970)		(7,25,186)	
Foreign exchange loss on bonds	84,66,980		-	
Loss/(Profit) on discard / Sale of fixed assets	(45,000)	1,44,55,480	18,17,733	91,33,755
Operating Profit /(Loss) before working capital changes		2,44,30,746		15,15,596
Adjustment for changes in:				
Decrease in Inventories	1,80,516		(94,62,229)	
Decrease in Trade & other receivables	31,37,69,203		19,61,89,197	
Decrease in Trade & other payable	(27,05,12,068)		(19,67,71,879)	
		4,34,37,650		(1,00,44,910)
Cash generated from operations		6,78,68,396		(85,29,314)
Income tax paid (net)		(6,50,108)		(16,29,886)
Net cashflow from Operating Activities		6,72,18,287		(1,01,59,200)
B. Cash Flow from Investing activities				
Interest Income	24,76,571		8,32,409	
Dividend income	-		4,809	
Sale of Investment in Subsidiary	3,46,17,924		-	
Purchase of fixed assets including capital WIP & capital advances	(3,64,30,389)		(6,34,563)	
Sale of fixed assets	45,000	-	6,44,989	-
Net cash used in Investing Activities		7,09,106		8,47,644
Share warrant redemption				
Increase in Share Capital	-		36,23,62,800	
Share premium received	-		1,81,18,140	
Issue expenses	-		(28,78,163)	
Increase (Decrease) in borrowings	(2,40,233)		25,19,44,867	
Interest paid	(71,92,578)		(6,50,392)	
		(74,32,811)		62,88,97,252
Net Increase / (Decrease) in				
Cash & Cash equivalents (A+B+C)		6,04,94,583		61,95,85,696
Cash & Cash equivalents				
Opening Balance		63,42,95,895		1,47,10,198
Closing Balance		69,47,90,479		63,42,95,895
Net Increase / (Decrease) in Cash and Cash equivalents		6,04,94,583		61,95,85,696

As per our Report of even date:
For Ishwar&Gopal,
Chartered Accountants

For and on behalf of the Board

K.V. Gopalakrishnayya
Partner
Membership No : 021748
Firm registration No : 001154S

V Ranganathan
Managing Director
DIN: 01247305

Shridhar S Hegde
Wholetime Director & CFO
DIN: 01247342

Nutan Soudagar
Company Secretary

Place : Bangalore
Date : 30.05.2016

1. CORPORATE INFORMATION:

Cerebra Integrated Technologies Limited (the Company) was incorporated under the Companies Act,1956 with registered office at Bangalore, India. The company is listed on Bombay Stock Exchange & National Stock Exchange.

The company is engaged in, assembling and trading of Computer Systems, and Peripherals. The company is also in to the business of providing I T Services and e-Waste management.

2. A. SIGNIFICANT ACCOUNTING POLICIES:

a) System of Accounting:

The financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention under accrual basis. Indian GAAP comprises of mandatory accounting standards prescribed under section 133 of the Companies Act, 2013 (Act) read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities Exchange Board of India (SEBI). The accounting policies have been consistently applied by the Company except to the extent of deviations specifically stated. The financial statements are prepared in Indian Rupees.

b) Use of Estimates:

The preparation of financial statements in accordance with the generally accepted accounting principles requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimate is recognized in the period in which the estimates are revised and in any future period affected.

c) Tangible Assets, Intangible Assets and Capital Work in Progress:

Tangible Assets are stated in the accounts at historical cost together with all costs directly attributable to their acquisition less accumulated depreciation and impairment if any.

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment if any.

Capital work in progress comprises of the cost of fixed assets that are not yet ready for their intended use at the reporting date.

d) Depreciation:

Effective 1st April 2014, the company depreciates its fixed asset over the useful life in the manner prescribed in schedule II of the Companies' Act, 2013, under straight line method. Depreciation on addition/ deletion during the year is provided on pro-rata basis.

Individual assets purchased/ installed during the year costing less than Rs. 5000/- have been fully depreciated in the year of purchase.

Computer software is amortized over the period of six years.

e) Investments:

Long term investments are stated at cost less diminution other than temporary decline in the value of such investments, if any. Current investments are valued at lower of cost and fair value determined by category of investment. The fair value is determined using quoted market price/market observable information adjusted for cost of disposal. On disposal of the investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

f) Retirement and other to Employee Benefits:

i. Short term employee benefits: All employee benefits falling due wholly within twelve months of rendering service are classified as short term employee benefits. The benefits like salaries, wages, short term

compensated absences, etc. and expected cost of bonus, are recognized in the period in which employee renders the related service.

ii. Post employee benefits:

Defined Contribution plans: The state governed provident fund scheme, and insurance scheme are defined contribution plans. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related services.

Defined benefits Plans: The employee gratuity fund scheme is a defined benefit plan. Wherever applicable, the present value of obligations under defined benefit plans is determined based on actuarial valuation using the project unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up final obligation.

The obligation is measured in the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yield on the Government securities, of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

The obligations for long term employee benefits such as long term compensated absences, etc. is recognized in the similar manner as in the case of defined benefit plans mentioned above.

g) Revenue Recognition:

i. Revenue from sale of goods is recognized when significant risk and rewards of the ownership of the goods have passed to the buyer which generally coincides with dispatch of goods to the customers. Sales include applicable excise duty but exclude sales tax. Warranty charges forming part of the sales are not recognized separately and expenditure incurred in this regard is accounted when incurred.

ii. Income from IT services is recognized upon completion of milestones wherever payments are linked to such milestones. In cases where payments are based on completion of each man-hour, man-days, man-month of service rendered, revenue is recognized upon respective completion of the same.

h) Inventory:

Inventories are valued at lower of cost or net realizable value and cost is determined on FIFO basis.

i) Foreign Currency Transactions:

The Company is exposed to currency fluctuations on foreign currency transactions. Foreign currency transactions are accounted in the books of account at the exchange rates closely approximating those prevailing on the date of transaction.

The difference between the rate at which foreign currency transactions are accounted and the rate at which they are realized is recognized in the statement of profit and loss.

Monetary foreign currency assets and liabilities at period end are restated at the closing rate. The difference arising from the restatement is recognized in the statement of profit and loss.

j) Accounting for Claims & Contingencies:

All known liabilities of material value have been provided for in the accounts except liabilities of contingent in nature, which have been disclosed at their estimated value in the notes to account in accordance with accounting standard. As regards, provisions, it is only that obligation arising from past events existing independently of enterprise's future actions that are recognized as provisions. Contingent liabilities are not recognized but are disclosed in the additional information. Contingent assets are neither recognized nor disclosed in the financial statement.

k) Impairment of Assets:

The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets is impaired. If any such indication exists, the Company estimates the amount

of impairment loss. The amount of loss for short-term receivables is measured as the difference between the assets carrying amount and undiscounted amount of future cash flows. Reduction, if any, is recognized in the statement of profit and loss. If at the balance sheet date there is any indication that if a previously assessed impairment loss no longer exists, the recognized impairment loss is reversed, subject to maximum of initial carrying amount of the short-term receivable.

Reversal of impairment loss is recognized immediately as income in the statement of profit and loss.

l) Earnings Per Share

Basic earnings per share are calculated by dividing net profit or loss for the year attributable to equity share holders (after deducting attributable taxes and dividend on cumulative preference shares for the year) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity share holders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.Potential equity shares should be treated as dilutive when, and only when, their conversion to equity shares would decrease net profit per share from continuing ordinary operations.

m) Taxes:

Income tax:

The current charge for income taxes is calculated in accordance with the relevant tax regulations. Tax liability for domestic taxes has been computed after considering Minimum Alternate Tax (MAT). The excess tax paid under MAT provisions being over and above regular tax liability can be carried forward and set off against future tax liabilities computed under regular tax provisions. Accordingly, MAT credit has been recognized, wherever applicable on the balance sheet date which can be carried forward for a period prescribed under the tax regulations.

Deferred tax:

Deferred tax asset are not recognized in respect of unabsorbed losses / depreciation and other benefits as there is no reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

n) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts and payments. The cash flows from regular revenue generating, financing, and investing activities of the company are segregated.

Notes to the Financial Statements

Amounts in INR

Note No.	Particulars	As at 31-March-2016		As at 31-March-2015	
3	**Share Capital**	**Number**	**Amount in INR**	**Number**	**Amount in INR**
	Authorised				
	a Equity Shares	11,02,00,000	1,10,20,00,000	11,02,00,000	1,10,20,00,000
	b Issued				
	Equity Shares	9,64,07,722	96,40,77,220	8,43,39,112	84,33,91,120
	Subscribed and fully paid up				
	Equity Shares	9,64,07,722	96,40,77,220	8,43,28,962	84,32,89,620
	Add: Forfeited Shares- Amount received on forfeited shares		1,01,500		1,01,500
	Total		**96,41,78,720**		**84,33,91,120**

c Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	Number	Amount in INR	Number	Amount in INR
Equity Shares				
Oustanding at the beginning of the period	8,43,28,962	84,32,89,620	4,80,92,682	48,09,26,820
Issued during the period	1,20,78,760	12,07,87,600	3,62,36,280	36,23,62,800
Outstanding at the end of the period	9,64,07,722	96,40,77,220	8,43,28,962	84,32,89,620

d Terms / Rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of an equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of share holders in the Annual General Meeting.
During the year, the Company has not declared any dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of shares held by the equity share holders.

e Out of the total issued and paid up capital 92,16,153 (92,16,153) shares of Rs 10/- each have been allotted as fully paid up pursuant to a contract without payment received in cash.

f Shares held by each shareholder holding more than 5 percent shares specifying the number of shares held

Name of the Shareholder	No. of shares held	% of holding	No. of shares held	% of holding
Sparrow Asia Diversified Opportunities Fund	40,91,911	4.24	60,39,380	7.16
Leman Diversified Fund	46,71,888	4.85	60,39,380	7.16
Davos International Fund	46,43,034	4.82	60,39,380	7.16
Heshika Growth Fund	60,39,380	6.26	60,39,380	7.16
Stream Value Fund	51,39,380	5.33	60,39,380	7.16
Auctor Investments Ltd	60,39,380	6.26	-	-

4	**RESERVES & SURPLUS**			
	Capital Reserve	2,26,77,225		2,26,77,225
	Securities Premium Account			
	Balance as per last financial statement	57,88,92,854	56,36,52,876	
	Add: Received during the year	60,39,380	1,81,18,140	
	Less: Issue expenses	-	(28,78,163)	
	Balance as at the end of the year	58,49,32,234		57,88,92,854
	Surplus / (Deficit) in Statement of Profit & Loss			
	Balance as per last financial statement	(18,57,59,109)	(17,80,81,685)	
	Add: (Less) Adjustment related to fixed assets	-	(59,265)	-
	Profit for the year	99,75,266	(76,18,158)	
	Net surplus / (Deficit) in statement of Profit & Loss	(17,57,83,843)		(18,57,59,109)
	Total Reserves & Surplus	43,18,25,616		41,58,10,970

Notes to the Financial Statements

Note No.	Particulars	As at 31-March-2016		As at 31-March-2015	
5	**LONG TERM BORROWINGS**				
	Bonds / Debentures				
	Foreign currency convertible Bond - Unsecured		13,32,40,000		25,16,00,000
	Term Loans				
	- From Banks - Secured	8,76,225		11,52,943	
	Less: Instalments of term loan payable within a year considered as current liabilities	2,39,509	6,36,716	2,75,993	8,76,950
	Net Long term borrowings		13,38,76,716		25,24,76,950

h Foreign Currency Convertible Bond-unsecured

The company has alloted 5.34% interest bearing Foreing Currency Convertible bond (Dollar Bond), of Dollar 1,00,00,000 on 19th December 2014 having a maturity life of 5 year convertible at any time upto 14th December 2019 into Equity shares of Rs. 10.50 (including premium of Rs. 0.50) at a conversion price of Rs. 63.4135, with a fixed rate of exhange on conversion of Rs. 63.4135 per USD

During the financial year ended 31 March 2016 the Company has converted 20,00,000 (60,00,000) Dollar bonds into 1,20,78,760 (3,62,36,280) equity Shares of 10.5 (including premium of Rs. 0.5) per share at a conversion rate of Rs. 63.4135 per USD

Unless the bonds have been previously redeemed, repurchased and cancelled or converted, the company will redeem the bonds on the maturity date at 100% of the Principal amount of the Bonds.

Term loan from banks is secured by hypothecation of vehicles

Schedule of repayment of loan is as under

Year	Amount in INR
2015-16	2,75,993
2016-17	2,39,509
2017-18	2,70,708
2018-19	1,28,692
2019-20	81,332
2020-21	1,06,112
2021-22	49,872

6	**LONG TERM PROVISIONS**		
	Provision for		
	- Gratuity	22,64,162	20,19,568
	- Leave Benefits	2,29,156	1,72,503
		24,93,318	21,92,071
7	**OTHER CURRENT LIABILITIES**		
	Current maturities of long term debts	2,39,509	2,75,993
	Interest accrued but not due on borrowings	91,42,308	41,22,655
	Advances from Customers	4,58,634	6,47,305
	Statutory Liabilities	36,07,601	33,36,467
	Liabilities for expenses	81,11,990	74,58,714
	Due to directors	6,32,091	9,69,663
		2,21,92,132	1,68,10,797
8	**SHORT TERM PROVISIONS**		
	Provision for		
	- Bonus	2,08,012	1,34,755
	- Gratuity	78,763	78,488
	- Leave Benefits	33,966	25,470
	- Income Tax (Net of advance Tax)	21,51,266	8,99,914
		24,72,007	11,38,627

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

Note No. 9 TANGIBLE ASSETS **Amounts in INR**

		GROSS BLOCK					DEPRECIATION						Net Block	
Sl. No.	PARTICULARS	As at 01-04-2015	Additions	Withdrawn	Deletions	As at 31-03-2016	As at 01-04-2015	For the year	Deletions	Withdrawn	Transferred to retained earnings	As at 31-03-2016	As at 31-03-2016	As on 31-03-2015
	Tangible assets													
i	Land	2,00,900	-	-	-	2,00,900	-	-	-	-	-	-	2,00,900	2,00,900
ii	Lease hold land	5,06,39,394	-	-	-	5,06,39,394	-	-	-	-	-	-	5,06,39,394	5,06,39,394
iii	Factory Building	46,38,187	-	-	-	46,38,187	21,74,612	1,54,779	-	-	-	23,29,391	23,08,796	24,63,575
iv	Plant & Machinery	2,33,42,854	-	-	-	2,33,42,854	1,86,96,024	29,64,956	-	-	-	2,16,60,980	16,81,874	46,46,830
v	Computer/Printers/Software	15,60,257	41,145	-	-	16,01,402	14,96,060	53,821	-	-	-	15,49,881	51,521	64,197
vi	Vehicles	23,68,173	-	-	-	23,68,173	7,61,595	3,34,800	-	-	-	10,96,395	12,71,778	16,06,578
vii	Electrical Installations	4,97,607	1,58,583	-	1,13,500	5,42,690	3,53,955	36,106	1,13,500	-	-	2,76,561	2,66,129	1,43,652
	TOTAL	**8,32,47,372**	**1,99,728**	**-**	**1,13,500**	**8,33,33,600**	**2,34,82,246**	**35,44,463**	**1,13,500**	**-**	**-**	**2,69,13,209**	**5,64,20,391**	**5,97,65,126**
	Previous Year	**8,73,56,638**	**6,34,563**	**24**	**47,43,805**	**8,32,47,372**	**2,15,98,706**	**67,11,610**	**22,81,097**	**26,06,232**	**59,267**	**2,34,82,246**	**5,97,65,126**	**6,57,57,932**

Notes to the Financial Statements

Note No.	Particulars	As at 31-March-2016		As at 31-March-2015	
10	**NON CURRENT INVESTMENTS**				
	a. Investment in subsidiaries [Trade]				
	Cerebra LPO India Limited				
	35,000 (35,000) Equity Shares of Rs. 10 each		3,50,000		3,50,000
	Geeta Monitors Private Limited				
	4,89,387 (25,49,975) Equity Shares of Rs. 10 each		82,21,700		4,28,39,580
	Cerebra Middle East FZCO				
	9 (9) Shares of par value AED 10,000 each		11,00,793		11,00,793
	Cerebra Singapore E-waste				
	1 (1) Share at Par value of SGD 1	44			44
	Less: Provision for dimunition	44		-	
	b. Investment in other equity instruments [Non Trade]				
	Sankhya Infotech Limited				
	200 (200) Equity Shares of Rs. 10 each	2,000		2,000	
	Less: Provision for dimunition	2,000	-	2,000	
			96,72,493		4,42,90,417
	Basis of valuation: Investments are stated at cost.				
	Aggregate amount of quoted investments and market value thereof		Nil		Nil
	Aggregate amount of unquoted investments		96,72,493		4,42,90,417
	Aggregate provision for dimunition in value of investments		44		-
11	**LONG TERM LOANS AND ADVANCES**				
	Capital Advances		36,10,80,849		31,13,87,732
	Advance to a Subsidiary		6,12,39,149		5,39,29,179
	Share Application Money Pending Allotment		-		1,34,62,456
	Security Deposits Considered Good		47,94,782		26,61,666
	Other Loans & Advances		1,13,23,153		1,48,05,128
			43,84,37,933		39,62,46,161
12	**OTHER NON CURRENT ASSETS**				
	- Times Shares		1,65,100		1,65,100
			1,65,100		1,65,100
13	**INVENTORIES**				
	Raw Materials		1,66,61,608		1,44,53,218
	Stock in Trade		34,19,523		58,08,429
			2,00,81,131		2,02,61,647
14	**TRADE RECEIVABLES**				
	[Unsecured]				
	Aggregate amount of Trade Receivables outstanding for a period exceeding six months from the date they are due for payment				
	Considered Good		19,91,70,196		58,03,90,777
	Others		10,25,18,132		98,81,370
			30,16,88,328		59,02,72,147
15	**CASH AND CASH EQUIVALENTS**				
	Cash in Hand		10,68,493		1,69,322
	Foreign Currency on hand		1,56,834		1,38,977
	Cheques in Hand		-		27,65,000
	Balance with banks				
	- in foreign currency account		65,85,00,000		-
	- in other Current Account		27,29,927		62,22,95,914
	- in Deposit Account (with more than 12 months maturity)		3,23,35,224		89,26,682
			69,47,90,479		63,42,95,895

Notes to the Financial Statements

Note No.	Particulars	As at 31-March-2016	As at 31-March-2015
16	**SHORT TERM LOANS AND ADVANCES**		
	[Considered Good]		
	Advance to Subsidiaries	4,03,68,525	7,52,95,506
	Prepaid Expenses	7,21,831	1,50,146
	Advance to Suppliers	1,33,607	81,647
	Balance with statutory / Government authorities	37,32,637	29,02,185
	Advance to employees	-	7,000
	MAT Credit Entitlement	1,10,67,890	91,66,429
		5,60,24,489	8,76,02,912
17	**OTHER CURRENT ASSETS**		
	Interest accrued but not due on deposits	8,15,314	3,83,384
		8,15,314	3,83,384
18	**Revenue from Operations**		
	Sale of Products	1,33,90,16,950	1,29,47,40,609
	Sale of Services	47,70,990	50,71,594
	Revenue from operations (Gross)	1,34,37,87,940	1,29,98,12,203
	Less: Excise Duty	46,55,116	16,17,188
	Revenue from operations (Net)	1,33,91,32,824	1,29,81,95,015
	Details of Sales		
	Revenue from Trading of Computers & Accessories	1,33,09,42,634	1,28,82,09,832
	Sale of refurbished e-Waste	34,19,200	49,13,589
		1,33,43,61,834	1,29,31,23,421
	Details of Services Rendered		
	Sale of Software Services	47,70,990	50,71,594
		47,70,990	50,71,594
19	**Other Income**		
	Interest income	24,76,571	8,32,409
	Dividend on Current Investments	-	4,809
	Net gain on sale of fixed assets	45,000	-
	Net gain on foreign currency transaction and translation	3,25,24,190	-
	Excess Provision / (Unclaimed Credit) Withdrawn	22,26,970	7,25,186
	Others	11,46,598	2,97,002
		3,84,19,329	18,59,406
20	**Cost of materials consumed**		
	Opening stock	1,44,53,218	1,06,51,679
	Add: Purchase during the period	56,74,660	91,40,788
		2,01,27,878	1,97,92,467
	Less: Closing stock	1,66,61,608	1,44,53,218
	Consumption	34,66,270	53,39,249
	Details of Consumption		
	Consumption of E-waste materials	34,66,270	53,39,249

Notes to the Financial Statements

Note No.	Particulars	As at 31-March-2016	As at 31-March-2015
21	**Purchase of Stock-in-Trade**		
	Purchase of Goods	1,29,94,72,844	1,26,17,25,904
		1,29,94,72,844	1,26,17,25,904
22	**Changes (Increase) / Decrease in inventories of finished goods, work-in-progress and Stock-in-Trade**		
	Opening stock of Traded Goods	58,08,429	1,47,739
	Less: Closing stock of Traded Goods	34,19,523	58,08,429
	Changes (Increase) / Decrease in inventories of finished goods, work-in-progress and Stock-in-Trade	23,88,906	(56,60,690)
23	**Employee Benefit Expenses**		
	Salaries and Wages	1,18,85,557	1,05,87,803
	Contribution to Provident & Other Funds	7,48,095	6,12,409
	Staff Welfare expenses	3,39,657	3,14,437
		1,29,73,309	1,15,14,649
24	**Financial Costs**		
	Interest on Bonds	70,66,247	41,22,655
	Interest Others	1,22,840	1,17,864
	Interest on Income Tax	3,491	1,53,556
	Other Borrowing Costs	4,82,335	3,78,972
		76,74,912	47,73,047
25	**Depreciation and amortisation expenses**		
	Depreciation of tangible assets	35,44,462	67,11,610
	Excess provision related to earlier years withdrawn		(26,06,232)
		35,44,462	41,05,378
26	**Other Expenses**		
	Consumables	24,487	30,489
	Power and Fuel	2,53,786	2,93,861
	Rent	5,53,611	6,00,341
	Repairs & Maintenance to Machinery	80,906	39,202
	Donation	15,000	4,000
	Repairs & Maintenance Others	2,39,336	1,92,843
	Insurance	1,38,201	44,363
	Rates & Taxes, excluding taxes on income	3,24,950	50,39,860
	Remuneration to Auditors	3,11,308	3,58,882
	Legal & Professional Charges	16,27,438	17,43,882
	Freight & Forwarding	44,290	49,743
	Bad Debts/Deposites written off	2,84,55,367	70,954
	Travelling and Conveyance	6,67,962	5,02,292
	Communication expenses	3,09,864	2,46,166
	Labour Charges	1,20,763	2,83,445
	Advertisement & Business promotion	38,38,409	3,69,862
	Net loss on foreign currency transaction and translation	-	1,31,63,251
	Printing & Stationery	1,14,397	1,07,553
	Loss on sale / discard of fixed asset	-	18,17,719
	Miscellaneous expenses	9,30,884	9,16,335
	Prior Year Expenses	5,182	-
	Provision for Loss on Investments	44	-
		3,80,56,184	2,58,75,043

Notes to the Financial Statements

Note No.	Particulars	As at 31-March-2016	As at 31-March-2015
	Remuneration to Auditor		
	Audit fees	1,50,000	1,50,000
	Tax Audit fees	1,00,000	1,00,000
	Certification	50,000	50,000
	Reimbursement of expenses / Service tax	11,308	58,882
		3,11,308	3,58,882

27. OTHER EXPLANATORY INFORMATION:

(Amounts are in INR unless otherwise stated)

1) Employee benefits:

a) Gratuity

Changes in present value obligation

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
Present Value of Funded Obligation	-	-
Fair Value of plan asset	-	-
Present Value of unfunded obligation	23,42,925	20,98,056
Unrecognized Past service cost	-	-
Amount not recognized as an asset	-	-
Net liability	23,42,925	20,98,056
Amounts in balance sheet		
Liability	23,42,925	20,98,056
Asset	-	-
Net liability is bifurcated as follows		
Current liability	78,763	78,488
Non-Current liability	22,64,162	20,19,568
Net liability	23,42,925	20,98,056

Expense to be Recognized in Statement of Profit & Loss Account

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
Current Service Cost	1,40,800	1,10,160
Interest on defined benefit obligation	1,74,869	1,69,560
Expected return on Plan assets	-	-
Net Acturial (gains) / Loss recognized in the year	(44,838)	123,760
Total included in employee benefit expenses	2,70,831	4,03,480
Actual return on Plan Assets	-	-

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	20,98,056	17,54,576
Current Service Cost	1,40,800	1,10,160
Interest Cost	1,74,869	1,69,560
Actuarial Losses / (Gain)	(44,838)	1,23,760
Benefits Paid	(25,962)	(60,000)
Closing Defined Benefit Obligation	23,42,925	20,98,056
Expected employer contribution next year	78,763	78,488

Economic Assumption

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
Discounting rate	7.85%	7.95 %
Salary escalation rate	7.00%	7.00 %

Demographic Assumption	
Retirement age	58 years
Mortality table	LIC(1994-96) mortality table
Leaving service rates	
Age (years)	**Rates**
21-30	15%
31-34	10%
35-44	5%
45-50	3%
51-54	2%
55-57	1%

b) Leave salary:

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
Present Value of Funded Obligation	-	-
Fair Value of plan asset	-	-
Present Value of unfunded obligation	2,63,973	1,97,973
Amount in balance sheet		
Liability	2,63,973	1,97,973
Asset	-	-
Net liability is bifurcated as follows		
Current liability	33,966	25,470
Non-current liability	2,29,156	1,72,503
Net Liability	2,63,122	1,97,973
Expenses recognized in the statement of profit and loss	65,149	72,629

2) Value of Import on CIF basis

a) Trading goods Rs. 1,28,00,170 (PY Rs. 89,37,124)

b) Consumption of goods

Particulars	Year ended 31-Mar-16		Year ended 31-Mar-15	
	In Rs.	Percentage	In Rs.	Percentage
Indigenous	34,66,270	100%	53,39,249	100%
Import	0	0%	0	0%
Sub Total	34,66,270	100%	53,39,249	100%

3) Earning in foreign exchange

a) Export –Software services NIL (Rs. 7,69,824)

4) Expenditure in Foreign currency

Foreign Travel	Rs. 2,69,108	(Rs. 1,28,988)

5) Earning per share

Sl. No.	Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
A.	Basic Earnings Per Share		
1.	Profit after tax	99,75,266	(76,18,158)
2.	Weighted average number of equity shares considered for calculation of basic earnings per share	8,90,15,257	5,43,47,163
3.	Earnings per share – Basic	0.11	(0.14)
.	Earnings per Share – Diluted	(0.12)	0.001
B	Diluted Earnings Per Share		
	1. Profit after tax	99,75,266	(76,18,158)
	Add: Interest on convertible FCCB bonds	70,66,247	41,22,655
	Tax shield on above @ 30.99%	(21,83,470)	(12,73,900)
	Diluted Earnings	1,48,58,043	47,69,403
C	Weighted average number of equity shares considered for calculation of diluted earnings per share	10,10,94,017	6,11,64,217
4.	Earnings per share-Dilute	0.11	(0.14)

Note : Potential enquity shares (Convertible FCCB) increases earnings per share and hence considered as anti dilutive.

6) Directors Remuneration:

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
Salary	36,00,000	36,00,000
Contribution to Provident Fund	2,16,000	2,16,000
Total	**38,16,000**	**38,16,000**

7) Balances of Sundry Debtors, Advances given to parties, Sundry Creditors and advances received from parties are subject to confirmation.

8) Due to Micro, small & medium enterprises

As per the records maintained by the company there are no dues to the Micro, small & medium enterprises as on the date of balance sheet.

Disclosure under required under MSME Act, 2006.

Sl. No.	Particulars	31-Mar-16	31-Mar-15
a.	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;	Nil	Nil
b.	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
c.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
d.	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

9) Related Party Disclosure

Name of related party	Nature
Cerebra LPO India Limited	Subsidiary
Cerebra Middle East FZCO	Subsidiary
Geeta Monitors Private Limited	Subsidiary 30th June 2015
Cerebra E-Waste Recovery Pte Ltd.	Subsidiary under Liquidation
Kranion Technologies Private Ltd	Entity in which KMP and/or their relative are able to exercise significant influence,

Key Management Personnel (KMP)

Name	Designation
V Ranganathan	Managing Director
P VishwaMurthy	Whole time Director
Shridhar S Hegde	Whole time Director
Nutan Soudagar	Company Secretary

The Company has the following transactions with related parties:

Transaction during the year:

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
V Ranganathan		
Remuneration paid	12,72,000	12,72,000
P Vishwamurthy		
Remuneration paid	12,72,000	12,72,000
Shridhar S Hegde		
Remuneration paid	12,72,000	12,72,000
Nutan Soudagar		
Remuneration paid	2,71,200	61,967
Geeta Monitors Private Limited-till 30th June 2016		
Purchase of goods	1,21,807	90,77,106
Sale of goods	10,11,657	70,19,819

Balance with Related parties:

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
i. Cerebra LPO India Limited		
- Balance Receivable	6,12,39,149	5,55,38,566
- Investment	3,50,000	3,50,000
ii. Cerebra Middle East FZCO		
- Balance Receivable	4,03,68,525	1,97,56,940
- Investment	11,00,793	11,00,793
iii. Geeta Monitors Private Limited		
- Balance Payable	Nil	15,62,096
- Investment		4,28,39,580
iv. Cerebra Ewaste Recovery Pte Limited, Singapore		
- Balance Receivable	Nil	5,39,29,179
- Share application Money	Nil	1,34,62,456
- Investment	44	44
v. Ranganathan V Payable	93,660	7,40,396
vi. Sridhar Hegde Payable	3,97,939	91,380
vii. P Vishwamurthy Payable	1,40,494	1,37,887

10) Lease hold land amounting Rs. 5,06,39,394/- (PY- Rs. 5,06,39,394/-) includes 48,564 Sq. Mtrs of land at Narsapura Industrial Area, Kolar Taluk, Kolar District, allotted by Karnataka Industrial Area Development Board (KIADB) on lease cum sale basis for setting up an e-waste recycling plant within a specified period. As per the lease cum sale agreement, KIADB has got the right to determine the lease and forfeit up to 25% of the consideration paid / enhance the compensation payable if the company fails to set up the plant with in the specified period.

11) Advance amounting Rs.1,34,62,456 (Previous year 1,34,62,456) relates to remittance made to Enviro Hub Ltd Singapore through Cerebra E-waste recovery Pte Limited (a wholly owned subsidiary under liquidation). As per the Share Purchase Agreement (SPA) entered between the Company and Enviro-Hub Holdings Limited Singapore (Enviro) the subsidiary Company remitted US$ 12,50,000 equivalent to Rs. 6,86,21,230 (Previous Year Rs. 6,86,21,230) to Enviro on 2nd February 2013 as initial deposit towards acquisition of 100% shares of Enviro's wholly owned subsidiary Cimelia Resource Recovery Pte Limited (Cimelia), a Company in the field of e-waste recycling business. However during July 2013 based on the advice given by the consultants and advisors the Company decided to abort the acquisition proposal. The Company is negotiating with Enviro for refund of the initial deposit and is confident of amicable settlement of the matter and hence no provision is made.

12) Capital advance includes:

(i) Rs. 12,82,44,644 (Previous Year Rs. 13,67,44,644) towards purchase of land and other expenses for setting up of an E-waste plant near Chennai paid during the year 2009-10. Subsequently the Company has decided to shift the project to Narasapura near Bangalore and sought refund of advance. Out of the same Rs 95,00,000 received subsequently.

(ii) Rs. 4,02,50,000 (Previous Year Rs 4,02,50,000) was advanced to Cimelia Resource Recovery Pte Limited Singapore (Cimelia) on 24th May 2011 towards technology fee. The payment is made by allotting 23,00,000 equity shares of the Company at a premium of Rs. 7.50 Per share.

(iii) Rs. 6,30,00,000 (Previous Year Rs. 6,30,00,000) was advanced to Restorer Corp Pte Limited, formerly known as Scenic Overseas (S) Pte Limited (Scenic) on 24th May 2011 towards supply of plant and machinery for e waste recycling plant in India. The payment is made by allotting 36,00,000 equity shares of the Company at a premium of Rs. 7.50 Per share.

(iv) Rs. 5,77,50,000 (Previous Year Rs. 5,77,50,000) was advanced to Leytron Technology Pte Limited (Leytron) on 24th May 2011 towards installation and commissioning of the above plant. The payment is made by allotting 33,00,000 equity shares of the Company at a premium of Rs 7.50 Per share.

(v) All the above allotments were made based on the approvals obtained from the FIPB, Government of India, and the BSE Limited, Mumbai. On signing the SPA, Scenic and Leytron have agreed to return the shares allotted to them and authorized the Company to do the needful to set off against the advance amount. The Company is expecting the refund of advance by Ciemelia either by cash or by transfer of shares.

(vi) Rs. 88,48,000 (Previous Year Rs. 88,48,000) represents balance in advance for supply of plant account from Scenic outstanding since 24th May 2011.

(vi) Further, the Company has obtained an interim injunction order from Honorable Addl. City Civil Court Bangalore restraining the above mentioned parties from alienating, encumbering or creating any manner of charge or third party rights over the shares allotted to them as detailed above.

(vii) On signing the SPA, Scenic and Leytron have agreed to return the shares allotted to them and authorized the Company to do the needful to set off against the advance amount. The Company is undergoing arbitration in the current matter.

(viii) Considering the negotiations with the concerned parties and opinion of the consultants no provision is made in the accounts towards these long outstanding advances.

13) Trade Receivables includes Rs. 19,43,93,605/- (P.Y 21,35,10,773/-) outstanding for substantial period. Based on the discussions with these parties the management is confident of recovering these dues and hence no provision has been made in the books.

14) Operating Leases:

The Company has taken various premises under cancelable leases. These lease agreements are normally renewed on expiry.

The lease agreements provide an option to the Company to renew the lease period at the end of the non-cancelable period. There are no exceptional / restrictive convents in the lease agreements.

Contingent rent recognized in the profit & Loss Account NIL

Obligation under Leases

Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
Lease rent recognized during the year	5,53,611	6,00,341
Within one year of the Balance Sheet date	6,73,608	6,14,451
Due in a period between one year and five years	30,48,504	27,87,405
Due after five years	Nil	Nil

15) Details of non-resident share holders:

	Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
1	Number of Non-resident share holders	55	39
2	Number of shares held by non-resident share holders Foreign Bodies	94,71,894 3,06,24,973	96,40,366 3,13,86,280
3	Amount remitted during the year in foreign currency on account of Dividends	Nil	Nil

16) CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

Counter guarantee given to the bankers for guarantees issued on behalf of the Company Rs. 3,22,84,172/- (Rs. 71,03,188/-)

17) Previous year figures are regrouped where ever necessary.

18) Figures in bracket relates to previous year.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CEREBRA INTEGRATED TECHNOLOGIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of Cerebra Integrated Technologies Limited ('The Holding Company') and its subsidiaries (hereinafter collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31 March 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. The Board of directors of the respective Companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of these Consolidated Financial Statements by the Board of Directors of the Company.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31 March 2016 and its consolidated profit and its consolidated cash flows for the year ended on that date.

Emphasis of Matters

Without qualifying our report, we draw attention to the following matters in the Notes to financial statements

a. Advance towards purchase of fixed assets amounting to Rs. 35,72,13,874/- and trade receivables amounting to Rs. 26,26,08,455/- (refer- note 2(h)(i) and (j) of the Consolidated Financial Statements) are outstanding for more than three years. This raises question regarding recoverability of these dues. The Management is confident of recovering the same either in cash or in kind and hence no provision is made in the accounts.

Other Matters

We have relied on the unaudited financial statements of two subsidiaries incorporated outside India, whose financial statements reflect total assets of Rs. 26,08,55,035/- as in 31st March 2016 and total revenue of Rs. 2,35,77,677/- for the period then ended. Further Group share of net profit amounting Rs. 36,24,866/- in a Indian Company which was subsidiary till 1st July 2015 was recognised based on the unaudited financial statement of the said Company relating to that period. The unaudited financial statements as approved by the respective Board of Directors of these Companies have been furnished to us by the Management and our report in so far as it relates to the amounts included in respect of these subsidiaries is based solely on such approved unaudited financial statements.

Our opinion on the Consolidated Financial Statements, and our report on other Legal and Regulatory requirements below, is not modified in respect of the above matter with respect to our reliance on the financial statements certified by the Management

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Company so far as it appears from our examination of those books;
   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
   (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
   (e) On the basis of the written representations received from the Directors of the Holding Company as on 31 March 2016 and taken on record by the Board of Directors of the Holding Company, and reports of the statutory auditor of the subsidiary Company none of the directors of the Group Companies incorporated in India are disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
   (g With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i) The Consolidated Financial Statement disclose the impact of pending litigations on its consolidated financial position of the Group in its Consolidated Financial Statements
      ii) Provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any on long term contracts including derivative contracts have been made in the Consolidated Financial Statements
      iii) As per the information and explanation given to us the Group is not liable to transfer any amount during the year under review to the Investor Education and Protection Fund .

For Ishwar & Gopal
Chartered Accountants
Firm Registration Number 0011054S

Gopalakrishnayya K V
Partner
Membership No.:- 021748
Place: Bangalore
Dated: 30.05.2016

Annexure - A to the Auditors' Report

Referred to in paragraph (f) 'Report on Other Legal and Regulatory Requirements' in our Auditor' Report to the members of the Company on the Consolidated Financial Statements for the year ended March 31, 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Cerebra Integrated Technologies Limited ("the Holding Company") and its subsidiary companies which are incorporated in India as of 31 March 2016 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiaries, which are Companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

According to the information and explanations given to us and based on our audit of the Holding Company's and its subsidiaries incorporated in India, the internal financial control over advance payment for purchase of fixed assets, customer acceptance, credit evaluation and establishing customer credit limit for sales, were not operating effectively which could potentially result in recognizing revenue/ non provision for bad debts without establishing reasonable certainty of ultimate collection. Subject to the above, in our opinion, the Holding Company and its subsidiaries incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiaries incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ishwar & Gopal
Chartered Accountants
Firm Registration Number 001105S

Gopalakrishnayya K V
Partner
Membership No.: 021748
Place : Bangalore
Dated: 30.05.2016

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31st March 2016

Amounts in INR

Particulars	Note No.	As at 31- March-2016		As at 31- March-2015	
EQUITY AND LIABILITIES					
Shareholders' funds					
a. Share Capital	3	96,41,78,720		84,33,91,120	
b. Reserves and Surplus	4	51,71,79,276	1,48,13,57,996	48,54,02,412	1,32,87,93,532
Minority Interest			77,85,701		6,02,82,148
Non-current liabilities					
a. Long Term borrowings	5	15,33,30,808		31,57,76,517	
b. Deferred tax liabilities (Net)	6	-		21,492	
c. Long term provisions	7	30,44,109	15,63,74,917	27,15,191	31,85,13,200
Current Liabilities					
a. Short term borrowings	8	31,00,600		5,83,57,901	
b. Trade payables					
i. Total outstanding due of micro enterprise & Small enterprise					
ii. Total outstanding due of other than micro enterprise & Small enterprise		9,37,55,689		48,57,69,562	
c. Other Current liabilities	9	6,74,78,800		4,86,97,316	
d. Short term provisions	10	25,47,337	16,68,82,426	1,22,14,008	60,50,38,787
TOTAL			**1,81,24,01,040**		**2,31,26,27,667**
ASSETS					
Non-current assets					
a. Fixed Assets					
i. Tangible Assets	11	5,95,00,783		7,25,81,607	
b. Non-current investments	12	82,21,700		-	
c. Long term loans & advances	13	38,10,63,807		39,91,16,893	
d. Other non current assets	14	1,65,100	44,89,51,390	1,65,100	47,18,63,599
Current Assets					
b. Inventories	15	2,43,80,033		17,24,79,618	
c. Trade receivables	16	62,41,09,456		98,23,63,041	
d. Cash & Cash equivalents	17	69,65,54,919		64,81,92,726	
e. Short term loans & advances	18	1,75,89,928		3,73,45,297	
f. Other Current assets	19	8,15,314	1,36,34,49,650	3,83,386	1,84,07,64,068
TOTAL			**1,81,24,01,040**		**2,31,26,27,667**
Significant accounting policy and additional information	1 & 2				

As per our Report of even date:
For Ishwar & Gopal,
Chartered Accountants

For and on behalf of the Board

K.V. Gopalakrishnayya
Partner
Membership No : 021748
Firm registration No : 001154S

V Ranganathan
Managing Director
DIN: 01247305

Shridhar S Hegde
Wholetime Director & CFO
DIN: 01247342

Nutan Soudagar
Company Secretary

Place : Bangalore
Date : 30.05.2016

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

Consolidated Statement of Profit and Loss for the Year ended 31st March, 2016

Amounts in INR

Particulars	Note No.	For the year ended 31-March-2016	For the year ended 31-March-2015
Income:			
Revenue from operations	20	2,38,04,63,960	2,67,47,82,528
Other Income	21	3,88,08,562	19,30,150
Total Revenue		**2,41,92,72,522**	**2,67,67,12,679**
Expenses:			
Cost of materials consumed	22	34,66,270	53,39,249
Purchase of Stock-in-Trade	23	2,19,15,93,405	2,48,62,76,965
Changes (Increase) / Decrease in inventories of finished goods, work-in-progress and Stock-in-Trade	24	(1,91,84,734)	(3,64,75,617)
Employee benefits expense	25	6,08,89,988	6,76,49,805
Financial costs	26	2,52,66,102	3,09,05,050
Depreciation and amortization expense	27	51,46,258	1,06,06,360
Other expenses	28	12,24,10,719	8,62,65,650
Total Expenses		**2,38,95,88,008**	**2,65,05,67,462**
Profit before exceptional and extraordinary items and tax		2,96,84,514	2,61,45,216
Exceptional Items-Loss on disinvestment in subsidiary		1,00,22,076	-
Profit before tax		1,96,62,438	2,61,45,216
Tax expense / (credit):			
Current tax		35,22,421	34,00,000
MAT Credit Entitlement		(19,01,461)	-
Deferred Tax		17,01,461	(3,91,949)
Total		**33,22,421**	**30,08,051**
Profit after tax for the year		1,63,40,017	2,31,37,165
Less: Minority Interest		(1,83,088)	43,26,965
Net profit after taxes & minority interest		1,65,23,104	1,88,10,201
Profit for the Year		1,65,23,104	1,88,10,201
Earning per equity share:			
(1) Basic		0.19	0.35
(2) Diluted		0.19	0.35

As per our Report of even date:
For Ishwar & Gopal,
Chartered Accountants

For and on behalf of the Board

K.V. Gopalakrishnayya
Partner
Membership No : 021748
Firm registration No : 001154S

V Ranganathan
Managing Director
DIN: 01247305

Shridhar S Hegde
Wholetime Director & CFO
DIN: 01247342

Nutan Soudagar
Company Secretary

Place : Bangalore
Date : 30.05.2016

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

Consolidated Cash Flow Statement for the Year ended March 31, 2016

Amounts in INR

Particulars	For the Year ended 31-March-2016		For the Year ended 31-March-2015	
A. Cashflow from operating activities				
Net Profit before tax and minority interest	-	1,96,62,438	-	2,61,45,216
Adjustments for:				
Depreciation	51,46,258		1,06,06,360	
Interest expenditure	2,27,91,531		3,09,05,050	
Interest income	(24,85,379)		(8,40,560)	
Dividend Income	-		(4,809)	
Variation in trade payables and receivables on account of sale of investment in a subsidiary	(4,56,77,251)		-	
Excess provision withdrawn	(22,26,970)		(7,25,186)	
Provision for doubtful debts	28,64,177		-	
Profit on sale of fixed assets	(45,000)	(1,96,32,633)	18,54,889	4,17,95,744
Operating Profit /(Loss) before working capital changes		29,805		6,79,40,960
Adjustment for changes in :				
Decrease in Inventories	14,80,99,585		(4,45,69,996)	
Decrese in Trade & other receivables	36,44,69,732		12,94,00,264	
Decrease in Trade & Other Payable	(38,27,93,512)		(20,67,59,338)	
		12,97,75,804		(12,19,29,070)
Cash generated from operations		12,98,05,609		(5,39,88,110)
Income tax paid (net)		(29,40,865)		(16,29,886)
Net Cash flow before extraordinary items		12,68,64,744		(5,56,17,996)
Net cashflow from Operating Activities		12,68,64,744		(5,56,17,996)
B. Cash Flow from Investing activities				
Interest Income	20,53,451		8,40,560	
Dividend income	-		4,809	
Purchase of fixed assets including capital WIP & capital advances	1,87,26,756		(39,64,380)	
Sale of fixed assets	45,000		6,96,421	
Investments	(82,21,700)		6,670	
Net cash used in Investing Activities		1,26,03,507		(24,15,920)
C. Cashflow from Financing Activities				
Issue of Shares	-		36,23,62,800	
Share premium received	-		1,81,18,140	
Issue expenses	-		(28,78,163)	
Foreign Currency Translation	1,91,81,174		48,85,127	
Increase / (Decrease) in borrowings	(8,74,95,700)		33,00,23,021	
Interest paid	(2,27,91,531)	(9,11,06,057)	(2,67,82,395)	68,57,28,530
Net Increase / (Decrease) in Cash & Cash equivalants (A+B+C)		4,83,62,195		62,76,94,614
Cash & Cash equivalants				
Opening Balance		64,81,92,726		2,04,98,112
Closing Balance		69,65,54,919		64,81,92,726
Net Increase / (Decrease) in cash and cash equivalents		4,83,62,194		62,76,94,614

As per our Report of even date:
For Ishwar & Gopal,
Chartered Accountants

For and on behalf of the Board

K.V. Gopalakrishnayya
Partner
Membership No : 021748
Firm registration No : 001154S

V Ranganathan
Managing Director
DIN: 01247305

Shridhar S Hegde
Wholetime Director & CFO
DIN: 01247342

Nutan Soudagar
Company Secretary

Place : Bangalore
Date : 30.05.2016

1. SIGNIFICANT ACCOUNTING POLICIES:

a) SYSTEM OF ACCOUNTING:

The financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention under accrual basis. Indian GAAP comprises of mandatory accounting standards prescribed under section 133 of the Companies Act, 2013 (Act) read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities Exchange Board of India (SEBI). The accounting policies have been consistently applied by the Company except to the extent of deviations specifically stated. The financial statements are prepared in Indian Rupees.

b) PRINCIPLES OF CONSOLIDATION :

The consolidated financial statements have been prepared on the following basis:

i. The consolidated financial statements include the financial statements of Cerebra Integrated Technologies Ltd and all its subsidiaries, which are more than 50% owned or controlled. The financial statements of the Parent Company and its majority owned / controlled subsidiaries have been combined on a line by line basis by adding together the book values of all items of assets, liabilities, incomes and expenses after eliminating all intercompany balances / transactions and resulting unrealized gain / loss.

ii. Minority interest in the net assets of consolidated subsidiaries consists of:

   a) The amount of equity attributable to the minorities at the dates on which investment in a subsidiary is made; and

   b) The minority's share of movements in equity since the date of parent-subsidiary relationship came into existence.

   Minority interest in share of net result for the year is identified and adjusted against the profit after tax. Excess of loss, if any, attributable to the minority over and above the minority interest in the equity of the subsidiaries is absorbed by the Company.

iii. The consolidated financial statements are prepared using uniform accounting policies for similar transactions and other events in similar circumstances except for deviations mentioned under the respective accounting policies.

iv. The performance of a company till the date it was a subsidiary is considered in consolidated profit and loss A/c.

c) USE OF ESTIMATES:

The preparation of financial statements in accordance with the generally accepted accounting principles requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimate is recognized in the period in which the estimates are revised and in any future period affected.

d) TANGIBLE ASSETS, INTANGIBLE ASSETS AND CAPITAL WORK IN PRPGRESS:

Fixed assets are stated at historical cost less accumulated depreciation. Costs include expenditure directly attributable to the acquisition of the asset. Borrowing costs directly attributable to the construction or production of qualifying assets are capitalized as part of the cost.

Intangible assets are stated at the consideration paid for acquisition less accumulated amortization.

Cost of fixed assets not ready for use before the balance sheet date is disclosed as capital work-in-progress. Advances paid towards the acquisition of fixed assets outstanding as of each balance sheet date is disclosed under long term loans and advances.

e) DEPRECIATION:

Effective 1st April 2014, the company depreciates its fixed asset over the useful life in the manner prescribed in schedule II of the companies' act, 2013. Depreciation on addition / deletion during the year is provided on pro-rata basis. The Individual assets purchased / installed during the year costing less than Rs. 5000/- have been fully depreciated in the year of purchase. Depreciation on computer software is provided over the period of six years, except that in the case of Geeta Monitors Private Limited and Cerebra Middle East FZCO. Depreciation on additions/deletion during the year has been provided for on pro-rata basis. Assets purchased/installed during the year costing less than Rs. 5000/- are fully depreciated.

In respect of Geeta Monitors Private Limited depreciation is provided as per Schedule II to the Companies Act, 2013 under written down value method. Computer software forming an integral part and procured along with the hardware has been capitalized as computers and depreciated accordingly. In respect of Cerebra Middle East FZCO, depreciation is provided under straight line method at the rate of 10% as per local laws.

f) INVESTMENTS:

Long term investments are stated at cost less other than temporary decline in the value of such investments, if any. Current investments are valued at lower of cost and fair value determined by category of investment. The fair value is determined using quoted market price/market observable information adjusted for cost of disposal. On disposal of the investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

g) RETIREMENT AND OTHER TO EMPLOYEE BENEFITS:

i. Short term employee benefits: All employee benefits falling due wholly within twelve months of rendering service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences, etc. and expected cost of bonus, are recognized in the period in which employee renders the related service.

ii. Post employee benefits:

Defined Contribution plans: The state governed provident fund scheme, insurance scheme, and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related services.

Defined benefits Plans: The employee gratuity fund schemes and other defined benefits plans. Wherever applicable, the present value of obligations under defined benefit plans is determined based on actuarial valuation using the project unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up final obligation.

The obligation is measured in the present value of the estimated future cash flows except in case of Geeta Monitors Private Limited and Cerebra Middle East FZCO. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yield on the Government securities, of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

The obligations for long term employee benefits such as long term compensated absences, etc. is recognized in the similar manner as in the case of defined benefit plans mentioned above.

The obligations for long term employee benefits such as long term compensated absences, etc. is recognized in the similar manner as in the case of defined benefit plans mentioned above.

In respect of Cerebra Middle East FZCO, employee benefits are recognized as per local laws.

h) REVENUE RECOGNITION:

i. Revenue from sale of goods is recognized when significant risk and rewards of the ownership of the goods have passed to the buyer which generally coincides with dispatch of goods to the customers. Sales include applicable excise duty but exclude sales tax. Warranty charges forming part of the sales are not recognized separately and expenditure incurred in this regard is accounted when incurred.

ii. Income from IT enabled services is recognized upon completion of milestones wherever payments are linked to such milestones. In cases where payments are based on completion of each man-hour, man-days, man-month of service rendered, revenue is recognized upon respective completion of the same.

i) INVENTORY:

Inventories are valued at lower of cost or net realizable value. In respect of traded stock cost is computed under first in first out (FIFO) method whereas for raw materials the same is computed under weighted average method.

j) FOREIGN CURRENCY TRANSACTIONS:

The Company is exposed to currency fluctuations on foreign currency transactions. Foreign currency transactions are accounted in the books of account at the exchange rates closely approximating those prevailing on the date of transaction.

The difference between the rate at which foreign currency transactions are accounted and the rate at which they are realized is recognized in the statement of profit and loss.

Monetary foreign currency assets and liabilities at period end are restated at the closing rate. The difference arising from the restatement is recognized in the statement of profit and loss.

Financial statements of foreign subsidiary are classified as non integral foreign operations and are incorporated in the financial statements using the following procedures for translation.

a. the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation translated at the closing rate;

b. income and expense items of the non-integral foreign operation are translated at exchange rates as on the date of the transaction using the average rate for the year; and

c. all resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

k) ACCOUNTING FOR CLAIMS & CONTINGENCIES:

All known liabilities of material value have been provided for in the accounts except liabilities of contingent in nature, which have been disclosed at their estimated value in the notes to account in accordance with accounting standard (AS 29). As regards, provisions, it is only that obligation arising from past events existing independently of enterprise's future actions that are recognized as provisions. Contingent liabilities are not recognized but are disclosed in the additional information. Contingent assets are neither recognized nor disclosed in the financial statement.

l) IMPAIRMENT OF ASSETS:

The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset or group of financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss. The amount of loss for short-term receivables is measured as the difference between the assets carrying amount and undiscounted amount of future cash flows. Reduction, if any, is recognized in the statement of profit and loss. If at the balance sheet date there is any indication that if a previously assessed impairment loss no longer exists, the recognized impairment loss is reversed, subject to maximum of initial carrying amount of the short-term receivable.

Reversal of impairment loss is recognized immediately as income in the statement of profit and loss.

m) EARNINGS PER SHARE

Basic Earnings per share are calculated by dividing net profit or loss for the year attributable to equity share holders (after deducting attributable taxes and dividend on cumulative preference shares for the year) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity share holders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Potential equity shares should be treated as dilutive when, and only when, their conversion to equity shares would decrease net profit per share from continuing ordinary operations.

n) Taxes:

Income tax:

The current charge for income taxes is calculated in accordance with the relevant tax regulations. Tax liability for domestic taxes has been computed after considering Minimum Alternate Tax (MAT). The excess tax paid under MAT provisions being over and above regular tax liability can be carried forward and set off against future tax liabilities computed under regular tax provisions. Accordingly, MAT credit has been recognized, wherever applicable on the balance sheet date which can be carried forward for a period prescribed under the tax regulations.

Deferred Tax

Deferred tax on account of timing differences, between taxable income and accounting income is recognized using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets are recognized to the extent there is certainty that these would be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written off to reflect the amount that is reasonable/virtually certain (as the case may be) to be realized.

o) CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts and payments. The cash flows from regular revenue generating, financing, and investing activities of the company are segregated.

2. OTHER EXPLANATORY INFORMATION: (Amounts are in INR unless otherwise stated)

a) The enterprises considered in the consolidated financial statements are:

Name of the enterprise	Country of incorporation	Voting power	
		As on 31-Mar-2016	As on 31-Mar-2015
Cerebra LPO India Limited	India	70%	70%
Cerebra Middle East FZCO	Dubai	90%	90%
Geeta Monitors Private Limited*	India	NA	51%
Cerebra E-Waste Recovery Pte Limited	Singapore	100%	100%

*Ceases to be a subsidiary effective from 1st July 2015, Company under liquidation

b) Segment wise business performance:

Business Segment: The Company's operating businesses are organised and managed separately according to the nature of products and services, with each segment representing a strategic business unit that offers different products / services. The two identified segments are hardware trading and software services.

Secondary Segment: The analysis of Geographical segment is based on the geographical location of the customers.

Segment Information

Amounts in INR

Particulars	31-Mar-16	31-Mar-15
i. Primary segment report by business segment		
I. Segment revenue		
a. Hardware	2,36,20,07,763	2,65,60,85,525
b. Software	1,84,56,197	1,86,97,003
Total	2,38,04,63,960	2,67,47,82,528
II. Segment result		
Profit/(loss) before tax & interest		
a. Hardware	5,40,22,122	55,919,897
b. Software	(90,93,582)	(57,86,345)
Total	4,49,28,540	5,01,33,552
III. Segment assets		
a. Hardware	1,73,54,47,122	2,12,86,17,270
b. Software	7,69,53,918	18,40,10,395
Total	1,81,24,01,040	2,31,26,27,665
IV. Segment Liabilities		
a. Hardware	25,88,29,274	2,23,35,63,267
b. Software	7,22,13,772	7,90,64,398
Total	2,31,26,27,665	2,31,26,27,665
V. Capital expenditure		
a. Hardware	1,99,728	39,64,380
b. Software	-	-
Total	1,99,728	39,64,380
VI. Depreciation		
a. Hardware	46,01,731	86,96,359
b. Software	5,44,527	19,10,001
Total	51,46,258	1,06,06,360
ii. Secondary Segment reporting by geographical segment		
Segment wise Revenue	31-Mar-16	31-Mar-15
a. Revenue from customers outside India	85,86,54,771	79,69,24,711
b. Revenue from customers in India	1,52,18,09,189	1,87,78,57,817
Total	2,38,04,63,960	2,67,47,82,528

c) Earnings per share:

Sl. No	Particulars	Year ended 31-Mar-16	Year ended 31-Mar-15
A	Basic earnings per share		
1.	Profit after tax	1,65,23,104	1,88,10,200
2.	Weighted average number of equity shares considered for calculation of basic earnings per share	8,90,15,257	5,43,47,163
3.	Earnings per share – Basic	0.11	0.35
B.	Diluted Earnings per Share		
1.	Profit after tax	1,65,23,104	1,88,10,201
	Add: Interest on convertible FCCB bonds	70,66,247	41,22,655
	Tax shield on above @ 30.9%	(21,83,470)	(12,73,900)
	Diluted Earnings	2,14,05,881	2,16,58,955
C	Weighted average number of equity shares considered for calculation of diluted earnings per share	10,10,94,017	6,11,64,217
4.	Earnings per share-Dilute	0.19	0.35

Note: In this case potential equity shares (Convertible FCCB) increases earnings per share and considered as anti-dilutive. Hence diluted earnings is stated same as basic earning.

d) Due to Micro, small & medium enterprises

As per the records maintained by the company there are no dues to the micro, small & medium enterprises as on the date of balance sheet.

Disclosure under required under MSME Act, 2006.

Sl. No.	Particulars	31-Mar-16	31-Mar-15
a.	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;	Nil	Nil
b.	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
c.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
d.	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

e) Related Party Disclosure

Related Parties

Kiranion Technologies Ltd	-Entity in which KMP and/or their relative are able to exercise significant influences.

Key Management Personnel

Name	Designation
V Ranganathan	Managing Director
P VishwaMurthy	Whole time Director
Shridhar S Hegde	Whole time Director

l) The Company has following transactions with related parties:

Particulars	31-Mar-16	31-Mar-15
Remuneration to Directors		
V Ranganathan	12,72,000	12,72,000
Shridhar S Hegde	12,72,000	12,72,000
P Vishwamurthy	12,72,000	12,72,000

II) Balances payable to related parties

Particulars	31-Mar-16	31-Mar-15
V Ranganathan	93,660	7,40,396
Shridhar S Hegde	3,97,939	91,380
P Vishwamurthy	1,40,494	1,37,887

f. Lease hold land amounting Rs. 5,06,39,394/- (PY- Rs. 5,06,39,394/-) includes 48,564 Sq. Mtrs of land at Narsapura Industrial Area, Kolar Taluk, Kolar District, allotted by Karnataka Industrial Area Development Board (KIADB) on lease cum sale basis for setting up an e-waste recycling plant within a specified period. As per the lease cum sale agreement, KIADB has got the right to determine the lease and forfeit up to 25% of the consideration paid / enhance the compensation payable if the company fails to set up the plant with in the specified period.

g) Balances of Sundry Debtors, Advances given to parties, Sundry Creditors and advances received from parties are subject to confirmation.

h. As per the Share Purchase Agreement (SPA) entered between the Company and Enviro–Hub Holdings Limited Singapore (Enviro) the subsidiary Company remitted US$ 12,50,000 equivalent to Rs. 6,86,21,230 (Previous Year Rs. 6,86,21,230) to Enviro on 2nd February 2013 as initial deposit towards acquisition of 100% shares of Enviro's wholly owned subsidiary Cimelia Resource Recovery Pte Limited (Cimelia), a Company in the field of e waste recycling business. However during July 2013 based on the advice given by the consultants and advisors the Company decided to abort the acquisition proposal the acquisition. The Company is negotiating with Enviro seeking refund of the initial deposit and is confident of amicable settlement of the matter. Considering the opinion of the consultants no provision is made in the accounts towards this advance.

i. Capital advance includes:

(i) Rs. 12,82,44,644 (Previous Year Rs. 13,67,44,644) towards purchase of land and other expenses for setting up of an E-waste plant near Chennai paid during 2009-10. Subsequently the Company has decided to shift the project to-Narasapur, Near Bangalore and sought refund of advance. Out of the same Rs. 95,00,000 received subsequently.

(ii) Rs. 4,02,50,000 (Previous Year Rs. 4,02,50,000) was advanced to Cimelia Resource Recovery Pte Limited Singapore (Cimelia) on 24th May 2011 towards technology fee. The payment is made by allotting 23,00,000 equity shares of the Company at a premium of Rs. 7.50 Per share.

(iii) Rs. 6,30,00,000 (Previous Year Rs. 6,30,00,000) was advanced to Restorer Corp Pte Limited, formerly known as Scenic Overseas (S) Pte Limited (Scenic) on 24th May 2011 towards supply of plant and machinery for e-waste recycling plant in India. The payment is made by allotting 36,00,000 equity shares of the Company at a premium of Rs. 7.50 Per share.

(iv) Rs. 5,77,50,000 (Previous Year Rs. 5,77,50,000) was advanced to Leytron Technology Pte Limited (Leytron) on 24th May 2011 towards installation and commissioning of the above plant. The payment is made by allotting 33,00,000 equity shares of the Company at a premium of Rs. 7.50 Per share.

All the above allotments were made based on the approvals obtained from the FIPB, Government of India, and the Bombay Stock Exchange Ltd, Mumbai. On signing the SPA, Scenic and Leytron have agreed to return the shares allotted to them and authorized the Company to do the needful to set off against the advance amount. The Company is expecting the refund of advance by Ciemelia either by cash or by transfer of shares. Hence no provision is made in the accounts.

(v) Rs. 88,48,000 (Previous Year Rs. 88,48,000) represents balance in advance account from Scenic. US $ 2,25,000 was advanced to Scenic on 24th May 2011 towards supply of plant and machinery against which mobile shredder valued US $ 25,000 was supplied by them so far.

j) Trade Receivables and advances include Rs. 2,62,608,455 (Previous Year Rs. 28,45,89,800) outstanding against export of software products and legal process outsourcing services for substantial period. No provision has been is made in the books.

k) On 1st July 2015, the Company has entered into an agreement with the promoters of M/s Geeta Monitors Private Limited (GMPL) to sell their entire stake to them. Accordingly out of the 25,49,975 shares held by the Company in GMPL 20,60,588 shares were sold as on 31st March 2016. Due to this transfer GMPL ceased to be a subsidiary effective from 1st July 2015.The summary of profit and loss account of GMPL till it ceased to be a subsidiary and its assets and liabilities as on that date is furnished below.

Particulars	Quarter ending 30th June 2015	Year ending 31st March 2016
Revenue from Operations	16,53,12,487	57,88,27,976
Other Income	9,437	68,651
Total Revenue	**16,53,21,924**	**57,88,96,627**
Expenses:		
Cost of materials consumed	-	-
Purchase of Stock-in-Trade	17,48,15,485	56,69,90,582
Changes (Increase) / Decrease in inventories of finished goods, work-in-progress and Stock-in-Trade	(2,15,73,640)	(3,08,14,927)
Employee benefits expense	26,20,590	1,18,51,606
Financial costs	26,07,014	1,29,37,056
Depreciation and amortization expense	8,50,235	50,10,717
Other expenses	7,56,414	40,58,972
Total Expenses	**16,00,76,098**	**57,00,34,006**
Profit before tax	52,45,826	88,62,621
Tax expense / (credit):		
Current tax	16,20,960	34,00,000
Deferred Tax	-	(3,91,949)
Profit after tax	**36,24,866**	**58,54,570**

Summary of Assets and liabilities

Particulars	As at 30th June 2015	As at 31st March 2016
Assets		
Non-current Assets	88,32,084	97,34,287
Current Assets	33,03,11,007	31,99,39,787
Total	**33,91,43,091**	**36,96,74,073**
Liabilities		
Networth	10,67,61,959	10,31,37,092
Non-current liabilities	2,25,47,568	2,09,37,081
Current liabilities	20,98,33,564	20,55,99,900
Total	**33,91,43,091**	**32,96,74,073**

l) Contingent liabilities and Commitments (To the extent not provided for)

Counter guarantee given to the bankers for guarantee issued Rs. 3,22,84,172/- (Rs. 71,03,188/-)

m) Pervious year figures are regrouped where ever necessary.

n) Previous year figure are represented in brackets.

Notes to the Financial Statements

Note No.	Particulars	As at 31-March-2016		As at 31-March-2015	
3	**Share Capital**	**Number**	**Amount in INR**	**Number**	**Amount in INR**
	Authorised				
	a Equity Shares	11,02,00,000	1,10,20,00,000	11,02,00,000	1,10,20,00,000
	b Issued				
	Equity Shares	9,64,07,722	96,40,77,220	8,43,39,112	84,33,91,120
	c Subscribed and fully paid up				
	Equity Shares	9,64,07,722	96,40,77,220	8,43,28,962	84,32,89,620
	Add: Forfeited Shares		1,01,500		1,01,500
	Total		**96,41,78,720**		**84,33,91,120**

d Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	Number	Amount in INR	Number	Amount in INR
Equity Shares				
Oustanding at the beginning of the period	8,43,28,962	84,32,89,620	4,80,92,682	48,09,26,820
Issued during the period	1,20,78,760	12,07,87,600	3,62,36,280	36,23,62,800
Outstanding at the end of the period	9,64,07,722	96,40,77,220	8,43,28,962	84,32,89,620

e Terms / Rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of an equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of share holders in the Annual General Meeting.

During the year, the Company has not declared any dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of shares held by the equity share holders.

f Out of the total issued and paid up capital 92,16,153 (92,16,153) shares of Rs 10/- each have been allotted as fully paid up pursuant to a contract without payment received in cash

g Shares held by each shareholder holding more than 5 percent shares specifying the number of shares held

Name of the Shareholder	No. of shares held	% of holding	No. of shares held	% of holding
Sparrow Asia Diversified Opportunities Fund	40,91,911	4.24	60,39,380	7.16
Leman Diversified Fund	46,71,888	4.85	60,39,380	7.16
Davos International Fund	46,43,034	4.82	60,39,380	7.16
Heshika Growth Fund	60,39,380	6.26	60,39,380	7.16
Stream Value Fund	51,39,380	5.33	60,39,380	7.16
Auctor Investments Ltd	60,39,380	6.26	-	0.00

4	**RESERVES & SURPLUS**				
	Capital Reserve				
	Balance as per last financial statement	2,42,64,168		2,42,64,168	
	Less: Capital reserve withdrawn on disinvestment	15,86,943		-	
	Balance as at the end of the year		2,26,77,225		2,42,64,168
	Securities Premium Account				
	Balance as per last financial statement	57,88,92,854		56,36,52,876	
	Add: Received during the year	60,39,380		1,81,18,140	
	Less: Issue expenses	-		(28,78,163)	
	Balance as per last financial statement		58,49,32,234		57,88,92,854
	Foreign Currency Translation Reserve				
	Balance as per last Balance Sheet	1,55,90,133		1,08,08,580	
	Add / (Less): Effect of foreign exchange rate variations during the year	1,08,01,323	2,63,91,456	47,81,553	1,55,90,133
	Surplus / (Deficit) in Statement of Profit & Loss				
	Balance as per last financial statement	(13,33,44,743)		(15,16,34,810)	
	Add: (Less) Adjustments related to fixed assets	-		(5,20,133)	
	Profit for the year	1,65,23,104		1,88,10,200	
	Net surplus / (Deficit) in statement of Profit & Loss Account		(11,68,21,639)		(13,33,44,743)
	Total Reserves & Surplus		51,71,79,276		48,54,02,412

Notes to the Financial Statements

Note No.	Particulars	As at 31-March-2016	As at 31-March-2015
5	**LONG TERM BORROWINGS**		
	Foreign currency convertible Bond - Unsecured	13,32,40,000	25,16,00,000
	Term Loans		
	- From Banks - Secured *	8,76,225	11,52,943
	- From Other Parties	5,33,52,535	8,53,14,216
	Total Long term borrowings	18,74,68,759	33,80,67,159
	Less: Instalments of term loan payable within a year considered as other current liability	3,41,37,951	2,22,90,642
	Net Long term borrowings	15,33,30,808	31,57,76,517

Foreign Currency Convertible Bond-unsecured

The company has alloted 5.34% interest bearing Foreing Currency Convertible bond (Dollar Bond), of Dollar 1,00,00,000 on 19th December 2014 having a maturity life of 5 year convertible at any time upto 14th December 2019 into Equity shares of Rs. 10.50 (including premium of Rs. 0.50) at a conversion price of Rs. 63.4135, with a fixed rate of exhange exchange on conversion of Rs. 63.4135 per USD

During the financial year ended 31 March 2016 the Company has converted 20,00,000 (60,00,000) Dollar bonds into 1,20,78,760 (3,62,36,280) equity Shares of 10.5 (including premium of Rs. 0.5) per share at a conversion rate of Rs. 63.4135 per USD

Unless the bonds have been previously redeemed, repurchased and cancelled or converted, the company will redeem the bonds on the maturity date at 100% of the Principal amount of the Bonds.

Term loan from a bank is secured by hypothecation of vehicles

Schedule of repayment of loan is as under

Year	Amount in INR
2015-16	2,75,993
2016-17	2,39,509
2017-18	2,70,708
2018-19	1,28,692
2019-20	81,332
2020-21	1,06,112
2021-22	49,872

6	**DEFERRED TAX ASSETS / (LIABILITIES)**		
	On account of		
	Carry forward losses		9,37,479
	Temporary disallowances under Income Tax	-	9,21,415
	Difference in written down value of Fixed Assets	-	(18,80,386)
		-	(21,492)
7	**LONG TERM PROVISIONS**		
	Provision for		
	- Gratuity	25,55,907	23,13,040
	- Leave Benefits	4,88,202	4,02,151
		30,44,109	27,15,191
8	**SHORT TERM BORROWINGS**		
	From a related party-(Unsecured)	31,00,600	-
	Working Capital Borrowings from Banks (Secured)	-	4,54,13,042
	Working Capital Borrowings from Banks (Unsecured)	-	1,29,44,859
		31,00,600	5,83,57,901
	Working capital loan is secured by the hypothycation of book debts & stock, repayable on demand.		
9	**OTHER CURRENT LIABILITIES**		
	Current maturities of long term debts	3,41,37,951	2,22,90,642
	Interest accrued but not due on borrowings	91,42,308	41,22,655
	Advances from Customers	4,58,634	12,67,854
	Dues to statuitory authorities	1,20,13,877	1,03,59,623
	Liabilities for expenses	1,10,93,939	96,86,878
	Due to directors	6,32,091	9,69,663
		6,74,78,800	4,86,97,316

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

Consolidated FA Schedule — **Amounts in INR**

Note No. 11		GROSS BLOCK							DEPRECIATION								NET BLOCK	
Sl. No.	PARTICULARS	As at 01.04.2015	Additions	Delitions on Sale	Ex-change Fluctu-ation	With drawn	Withdrawn on Dis-Investment	As at 31.03.2016	As at 01.04.2015	For the year	Deletions	Withdrawn	Withdrawn on Dis-Investment	Ex-change Fluc-tuation	Transf-erred to retai-ned ear-nings	As at 31.03.2016	As at 31.03.2016	As on 31.03.2015
12	**Tangible Assets**																	
i	Land	2,00,900	-	-	-	-	-	2,00,900	-	-	-	-		-	-	-	2,00,900	2,00,900
ii	Lease hold land	5,06,39,394	-	-	-	-	-	5,06,39,394	-	-	-	-		-	-	-	5,06,39,394	5,06,39,394
iii	Factory Building	46,38,187	-	-	-	-	-	46,38,187	21,74,612	1,54,779	-	-		-	-	23,29,391	23,08,796	24,63,575
iv	Plant & Machinery	2,33,42,854	-	-	-	-	-	2,33,42,854	1,86,96,024	29,64,956	-	-		-	-	2,16,60,980	16,81,874	46,46,830
v	Computer/Printers/ Software	4,70,57,916	41,145	-	36,926	-	4,28,53,158	42,82,830	3,80,04,400	10,77,726	-	-	3,53,68,532	(5,435)	-	37,19,029	5,63,801	90,53,516
vi	Vehicles	32,95,329	-	-	-	-	9,27,156	23,68,173	16,42,393	3,34,800	-		8,80,798	-	-	10,96,395	12,71,778	16,52,936
vii	Furniture and Fixtures	38,77,319	-	-	66,992	-	-	39,44,311	16,23,621	3,97,471	-	-		(11,355)	-	20,32,447	19,11,864	22,53,698
viii	Electrical Installations	17,77,316	1,58,583	1,13,500	-	-	-	18,22,399	8,26,419	1,90,190	1,13,500	-		-	-	9,03,109	9,19,290	9,50,897
ix	Office Equipment	87,24,629	1,629	-	-	-	78,20,276	9,05,982	83,60,305	13,946	-	-	74,71,357	-	-	9,02,894	3,088	3,64,324
x	Equipment On Hire	18,59,011	-	-	-	-	18,59,011	-	15,03,481	12,390	-	-	15,15,871	-	-	-	-	3,55,530
	TOTAL	**14,54,12,855**	**2,01,357**	**1,13,500**	**1,03,918**	**-**	**5,34,59,601**	**9,21,45,030**	**7,28,31,255**	**51,46,258**	**1,13,500**	**-**	**4,52,36,558**	**(16,790)**	**-**	**3,26,44,245**	**5,95,00,784**	**7,25,81,605**
	Previous Year	**14,65,12,207**	**39,64,380**	**48,62,279**	**(2,00,768)**	**681**	**-**	**14,54,12,857**	**6,41,13,605**	**1,32,32,984**	**23,11,651**	**26,26,624**		**(97,187)**	**52,135**	**7,28,31,255**		
	Intangibles assets Software	3,90,597	-	-	-			3,90,597	3,90,597	-	-	-		-		3,90,597	-	-
	TOTAL	**3,90,597**	**-**	**-**	**-**			**3,90,597**	**3,90,597**	**-**	**-**	**-**		**-**		**3,90,597**	**-**	**-**
	Previous year	**3,90,597**						**3,90,597**	**3,90,597**							**3,90,597**		

Notes to the Financial Statements

Note No.	Particulars		As at 31-March-2016		As at 31-March-2015
10	**SHORT TERM PROVISIONS**				
	Provision for				-
	- Bonus		6,68,382		4,99,882
	- Gratuity		97,924		5,48,306
	- Leave Benefits		74,869		62,689
	- Income Tax (Net of advance Tax)		17,06,162		1,11,03,131
			25,47,337		1,22,14,008
12	**NON CURRENT INVESTMENTS [NonTrade]**				
	Geeta Monitors Private Limited		82,21,700		-
	4,89,387 Equity Shares of Rs. 10 each				
	Sankhya Infotech Limited				
	200 (200) Equity Shares of Rs. 10 each	2,000		2,000	
	Less : Provision for dimunition	2,000	-	2,000	-
			82,21,700		-
13	**LONG TERM LOANS AND ADVANCES**				
	[Unsecured, Considered Good]				
	Capital Advances		36,10,80,849		38,00,08,962
	Security Deposits- Secured, Considered Good		47,94,782		5,30,618
	Security Deposits, Considered Good		38,65,022		37,72,185
	Other Loans & Advances		1,13,23,154		1,48,05,128
			38,10,63,807		39,91,16,893
14	**OTHER NON CURRENT ASSETS**				
	- Times Shares		1,65,100		1,65,100
			1,65,100		1,65,100
15	**INVENTORIES**				
	Raw Materials		1,66,61,608		1,87,46,558
	Stock in Trade		77,18,425		15,37,33,060
			2,43,80,033		17,24,79,618
16	**TRADE RECEIVABLES**				
	[Unsecured]				
	Outstanding for a period exceeding six months from the date they are due for payment				
	Considered Good	29,79,80,440		66,45,86,579	
	Considered Doubtful	28,70,921		6,744	
		30,08,51,361		66,45,93,323	
	Less: Provision for doubtful debts	28,70,921	29,79,80,440	6,744	66,45,86,579
	Others		32,61,29,016		31,77,76,462
			62,41,09,456		98,23,63,041

Notes to the Financial Statements

Note No.	Particulars	As at 31-March-2016	As at 31-March-2015
17	**CASH AND CASH EQUIVALENTS**		
	Cash in Hand	15,06,583	6,35,608
	Foreign Currency in hand	1,69,421	1,51,216
	Cheques on Hand	-	27,65,000
	Cash at bank		
	-In Foreign Currency Account	65,85,00,000	62,19,00,000
	- in Other Current Account	40,43,691	1,26,09,601
	in Deposit Account (with more than 12 months maturity)	3,23,35,224	1,01,31,301
		69,65,54,919	64,81,92,726
18	**SHORT TERM LOANS AND ADVANCES**		
	Advance Income Tax (net of provision for taxation)	-	1,17,01,478
	MAT Credit Entitlement	1,10,67,890	91,66,429
	Prepaid Expenses	9,42,926	2,63,012
	Advance to Suppliers	15,59,607	1,17,57,701
	Balance with statutory / Government authorities	40,19,506	41,19,952
	Employee Advances	-	3,36,726
		1,75,89,928	3,73,45,297
19	**OTHER CURRENT ASSETS**		
	Interest accrued but not due on deposits	8,15,314	3,83,386
		8,15,314	3,83,386
20	**Revenue from Operations**		
	Sale of Products	2,35,01,53,035	2,59,37,50,879
	Sale of Services	3,49,66,041	8,26,48,837
	Revenue from operations (Gross)	2,38,51,19,076	2,67,63,99,716
	Less: Excise Duty	46,55,116	16,17,188
	Revenue from operations (Net)	2,38,04,63,960	2,67,47,82,528
	Details of Products Sold		
	Revenue from Trading of Computers & Accessories	2,34,20,78,719	2,58,88,37,290
	Sale of refurbished e-Waste	34,19,200	49,13,589
		2,34,54,97,919	2,59,37,50,879
	Details of Services Rendered		
	Sale of Software Services	1,65,09,844	6,39,51,834
	Medical Transcription	1,72,81,824	1,82,33,908
	LPO Services	11,74,373	4,63,095
		3,49,66,041	8,26,48,837
21	**Other Income**		
	Interest Income on Bank Deposits	24,85,379	8,40,560
	Net gain / (loss) on foreign currency transaction and translation	3,25,24,190	-
	Net gain / loss on sale of fixed assets	45,000	-
	Excess Provision / (Unclaimed Credit) Withdrawn	22,26,970	7,25,186
	Others	15,27,023	3,59,595
		3,88,08,562	19,30,150

Notes to the Financial Statements

Note No.	Particulars	As at 31-March-2016	As at 31-March-2015
22	**Cost of materials consumed**		
	Opening stock	1,44,53,218	1,06,51,679
	Add: Purchase during the period	56,74,660	91,40,788
		2,01,27,878	1,97,92,467
	Less: Closing stock	1,66,61,608	1,44,53,218
	Consumption	34,66,270	53,39,249
	Details of Consumption		
	Consumption of E-waste materials	34,66,270	53,39,249
23	**Purchase of Stock-in-Trade**		
	Purchase of Goods	2,19,15,93,405	2,48,62,76,965
		2,19,15,93,405	2,48,62,76,965
24	**Changes (Increase) / Decrease in inventories of finished goods, work-in-progress and Stock-in-Trade**		
	Inventories at the beginning of the year		
	Traded Goods-Computers & Accessories	58,08,429	-
	Finished Goods-Computers	14,56,51,220	11,72,57,943
		15,14,59,649	11,72,57,943
	Inventories at the end of the year		
	Traded Goods-Computers & Accessories	34,19,523	
	Finished Goods-Computers	16,72,24,860	15,37,33,560
		17,06,44,383	15,37,33,560
	Changes (Increase) / Decrease in inventories of finished goods, work-in-progress and Stock-in-Trade	(1,91,84,734)	(3,64,75,617)
25	**Employee Benefit Expenses**		
	Salaries and Wages	5,83,22,976	6,45,50,172
	Contribution to provident & Other Funds	17,01,011	19,57,927
	Staff Welfare expenses	8,66,001	11,41,706
		6,08,89,988	6,76,49,805
26	**Financial Costs**		
	Interest on Bonds	70,66,247	41,22,655
	Interest Expense	1,56,87,974	1,98,65,681
	Interest on Income Tax	37,310	2,52,993
	Other Borrowing Costs	24,74,571	66,63,721
		2,52,66,102	3,09,05,050
27	**Depreciation and amortisation expenses**		
	Depreciation of tangible assets	51,46,258	1,32,32,984
	Excess provision related to earlier years withdrawn	-	(26,26,624)
		51,46,258	1,06,06,360

Notes to the Financial Statements

Note No.	Particulars	As at 31-March-2016	As at 31-March-2015
28	**Other Expenses**		
	Consumables	24,487	30,489
	Power and Fuel	5,48,217	6,97,326
	Rent	57,72,874	53,08,602
	Repairs to Machinery	80,906	74,404
	Repairs to Others	3,02,798	3,51,066
	Insurance	10,43,618	22,95,462
	Rates & Taxes, excluding taxes on income	27,29,105	78,60,369
	Remuneration to Auditors	4,13,188	4,44,207
	Professional Charges	77,66,444	75,70,237
	Freight & Forwarding	1,48,070	18,86,955
	Provision for Doubtful debts / advances	28,64,177	-
	Bad Debts written off	2,84,55,367	95,954
	Travelling and Conveyance	14,86,292	18,12,651
	Communication expenses	18,80,196	24,57,627
	Commission	5,18,36,847	3,42,68,079
	Labour Charges	1,20,763	2,83,445
	Advertisement / Sales Promotion	55,54,020	32,88,400
	Net loss on foreign currency transaction and translation	10,201	1,31,90,435
	Brokerage & commission	-	6,08,700
	Office Expenses	43,862	3,47,880
	Prior year expenses	94,02,092	-
	Printing & Stationery	3,88,420	1,53,864
	Donation	15,000	4,000
	Loss on sale / discard of fixed asset	-	18,54,208
	Miscellaneous	15,23,777	13,81,290
		12,24,10,719	8,62,65,650
	Remuneration to Auditor		
	As auditor	2,50,000	2,10,000
	Audit fees	1,00,000	1,15,000
	Tax Audit fees	50,000	50,000
	Reimbursement of expenses / Service tax	13,188	69,207
		4,13,188	4,44,207

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

CIN: L85110KA1993PLC015091
Regd Off.: # S-5, Off 3rd Cross, 1st Stage, Peenya Industrial Area, Bangalore - 560 058
Telephone: 91 - 080 - 22046969 Fax: 91 - 080 - 22046980
Email: investors@cerebracomputers.com Web: www.cerebracomputers.com

FORM NO. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: Cerebra Integrated Technologies Limited
CIN:L85110KA1993PLC015091
Registered Office: S5, Off 3rd Cross, 1st Stage, Peenya Industrial Area, Bangalore - 560 058

Name of the member (s) :
Registered address :
E-mail Id:
Folio No/ Client Id :
DP ID :

I/We, being the member (s) of ……..…… shares of the above named company, hereby appoint.

1. Name:
   Address:
   E-mail Id:
   Signature:……., or failing him
2. Name:
   Address:
   E-mail Id:
   Signature: ……., or failing him
3. Name:
   Address:
   E-mail Id:
   Signature: …….

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Second Annual General Meeting of the Company, to be held on Friday, 16th September, 2016 at 11:00 AM at Bharatiya Vidya Bhavan, Race Course Road, Bangalore-560 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Nos.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company including Audited Balance Sheet as at 31st March, 2016 and the Statement of Profit and Loss of the Company for the year ended as on that date together with the Auditors' Report thereon and the Board's Report including Secretarial Audit Report.
2. To appoint a Director in place of Ms. Preeti Javali (holding DIN: 07157145), who retires by rotation and is eligible for re-appointment.
3. To ratify the appointment of Statutory Auditors of the Company.

SPECIAL BUSINESS:

4. Re-appointment of Mr. V Ranganathan as Managing Director and ratification of remuneration.
5. Re-appointment of Mr. Shridhar S Hegde as Whole Time Director and ratification of remuneration.
6. Re-appointment of Mr. P Vishwamurthy as Whole Time Director and ratification of remuneration.

Affix1/-
Revenue
Stamp

Signed this…… day of Septemebr, 2016

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

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Regd Off.: # S-5, Off 3rd Cross, 1st Stage, Peenya Industrial Area, Bangalore - 560 058
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Email: investors@cerebracomputers.com Web: www.cerebracomputers.com

Form No. MGT-12
Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: Cerebra Integrated Technologies Limited
Registered Office: S5, Off 3rd Cross, 1st Stage, Peenya Industrial Area, Bangalore - 560 058

BALLOT PAPER

Sl. No	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	

I hereby exercise my vote in respect of Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

Sl. No.	Item No.	No. of shares held by me	I assent to the resolutions	I dissent from the resolutions
	ORDINARY BUSINESS			
1	To receive, consider and adopt the Financial Statements of the Company including Audited Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss of the Company for the year ended as on that date together with the Auditors' Report thereon and the Board's Report including Secretarial Audit Report.			
2	To appoint a Director in place of Ms. Preeti Javali (holding DIN: 07157145), who retires by rotation and is eligible for re-appointment.			
3	To ratify the appointment of Statutory Auditors of the Company.			
	SPECIAL BUSINESS			
4	Re-appointment of Mr. V Ranganathan as Managing Director and ratification of remuneration.			
5	Re-appointment of Mr. Shridhar S Hegde as Whole Time Director and ratification of remuneration.			
6	Re-appointment of Mr. P Vishwamurthy as Whole Time Director and ratification of remuneration.			

Place:
Date: (Signature of the Scrutinizer) (Signature of the shareholder)

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

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Regd Off.: # S-5, Off 3rd Cross, 1st Stage, Peenya Industrial Area, Bangalore - 560 058
Telephone: 91 - 080 - 22046969 Fax: 91 - 080 - 22046980
Email: investors@cerebracomputers.com Web: www.cerebracomputers.com

ATTENDANCE SLIP

22ND ANNUAL GENERAL MEETING, FRIDAY, 16TH SEPTEMBER, 2016 AT 11:00 AM

(This attendance slip duly filled in to be handed over at the entrance of the meeting hall)

Name of the attending Member (in block letters): ……

Members' Folio Number :……

Client I.D. No: ……

D.P.I.D. No: ……

Name of the Proxy (in Block Letters, to be filled in if the proxy attends instead of the members)

……

No. of Shares held: ……

I hereby record my presence at the Twenty Second Annual General Meeting of the Company held on Friday, 16th September, 2016, at 11:00 AM at Bharatiya Vidya Bhavan, Race Course Road, Bangalore-560 001.

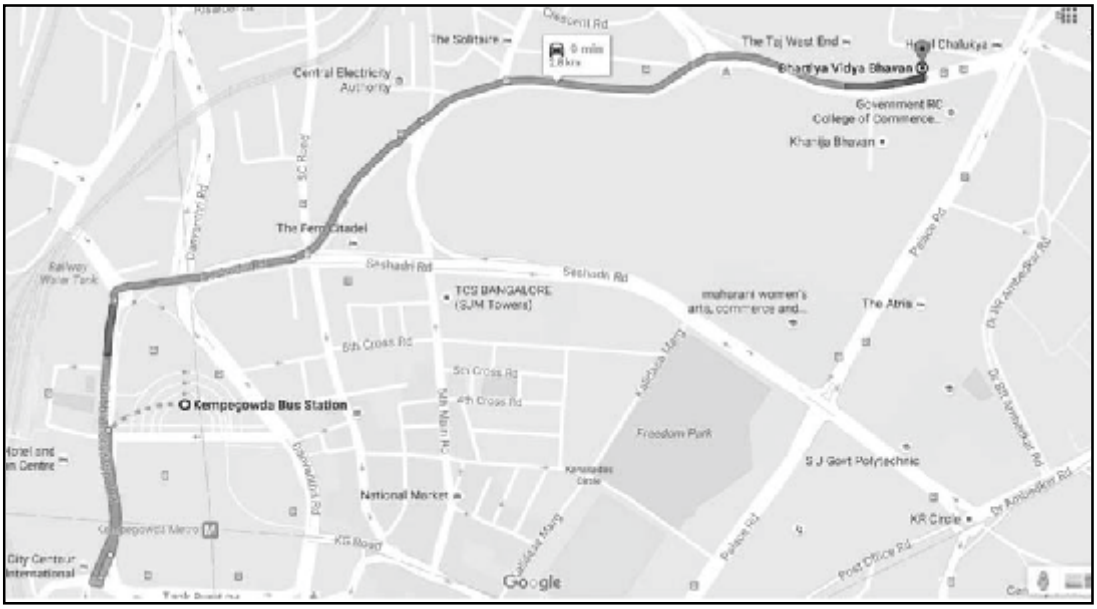
To be signed at the time of handing over the slip

Signature of Member / Proxy

ROUTE MAP OF THE VENUE OF 22ND ANNUAL GENERAL MEETING OF THE COMPANY

TO BE HELD ON FRIDAY, 16TH SEPTEMBER, 2016 AT 11.00 A.M.
AT BHARATIYA VIDYA BHAVAN, RACE COURSE ROAD, BANGALORE - 560 001

Route Map Link:



 # 43, Race Course Road, High Grounds, Bengaluru, Karnataka 560001, India

CEREBRA
Total I.T. Solutions
An ISO 9001 : 2008 Company

Cerebra Integrated Technologies Limited

CIN: L85110KA1993PLC015091

#S-5, Off 3rd Cross 1st Stage Peenya Industrial Area Bangalore 560 058.

T:91-80-2204 6969 F: 91-80-2837 2609

email: investors@cerebracomputers.com

www.cerebra -me.com

Enterprise Solutions : Electronic Manufacturing Service : e-waste Recycling : Servers and Storage : ITeS